FRANCHISE DISCLOSURE DOCUMENT

CHHJ FRANCHISING L LC
a Delaware limited liability company
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Tampa, Florida 33605
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We are offering franchises for the operation of businesses operating under the College Hunks Hauling Junk® and College Hunks Moving® names which will provide junk removal services and/or moving services, including picking up unwanted items from residential or commercial clients and taking it to the appropriate landfill or transfer station for appropriate disposal or recycling We offer standard franchises, "small market" franchises and conversion franchises

The total investment necessary to begin operation of a College Hunks Hauling Junk® or College Hunks Moving® franchise is $89,300 to $208,200 This includes at least $40,000 to $50,000 that must be paid to us or our parent or affiliates

This Disclosure Document summarizes certain provisions of your franchise agreement and other information in plain English Read this Disclosure Document and all accompanying agreements carefully You must receive the Disclosure Document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale **Note, however, that no government agency has verified the information contained in this document**

You may wish to receive your Disclosure Document in another format that is more convenient for you To discuss the availability of disclosures in different formats, contact Nicholas Friedman at 1513 East 9th Avenue, Tampa, Florida 33605 and (800) 586-5872 As of July 1, 2017, our new address will be 4411 Tampa Bay Boulevard, Tampa, Florida 33614

The terms of your contract will govern your franchise relationship Don't rely on the disclosure document alone to understand your contract Read all of your contract carefully Show your contract and this disclosure document to an advisor, like a lawyer or an accountant

Buying a franchise is a complex investment The information in this Disclosure Document can help you make up your mind More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this Disclosure Document, is available from the Federal Trade Commission You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580 You can also visit the FTC's home page at *www ftc gov* for additional information Call your state agency or visit your public library for other sources of information on franchising

There may also be laws on franchising in your state Ask your state agencies about them

Issuance Date March 30, 2017

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT

Call the state franchise administrator listed in Exhibit "A" for information about the franchisor, about other franchisors, or about franchising in your state

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW

Please consider the following RISK FACTORS before you buy this franchise

1 THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION AND ARBITRATION ONLY IN FLORIDA OUT OF STATE MEDIATION AND ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT MAY ALSO COST MORE TO MEDIATE AND ARBITRATE WITH US IN FLORIDA THAN IN YOUR OWN STATE

2 THE FRANCHISE AGREEMENT STATES THAT FLORIDA LAW GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW YOU MAY WANT TO COMPARE THESE LAWS

3 YOU MUST MAKE MINIMUM ROYALTY AND ADVERTISING PAYMENTS REGARDLESS OF YOUR SALES LEVELS YOUR INABILITY TO MAKE THE PAYMENTS MAY RESULT IN TERMINATION OF YOUR FRANCHISE AND LOSS OF YOUR INVESTMENT

4 THE FRANCHISOR HAS THE RIGHT TO BUY BACK YOUR FRANCHISED BUSINESS AT ANY TIME AFTER THE 60TH MONTH FOR FIVE TIMES NORMALIZED EBITDA (EARNINGS BEFORE INCOME TAXES, DEPRECIATION AND AMORTIZATION)

5 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise A franchise broker or referral source represents us, not you We pay this person a fee for selling our franchise or referring you to us You should be sure to do your own investigation of the franchise

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates

STATE	EFFECTIVE DATE
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU

1 Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise

(a) A prohibition on the right of a franchisee to join an association of franchisees

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims

2 A provision that permits a franchisor to terminate a franchise before the expiration of its term except for good cause Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure

3 A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation This subsection applies only if (I) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise

4 A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances This section does not require a renewal provision

5 A provision requiring that arbitration or litigation be conducted outside this state This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state

6 A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise Good cause shall include, but is not limited to

(a) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards

(b) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor

(c) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations

(d) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer

7 A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c)

8 A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000 00, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled At the option of the franchisor, a surety bond may be provided in place of escrow

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL

Any questions regarding this notice should be directed to

State of Michigan
Department of Attorney General
CONSUMER PROTECTION DIVISION
Attention Franchise
G Mennen Williams Building
525 West Ottawa, 7th Floor
Lansing, Michigan 48909
Telephone Number (517) 373-7117

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RECEIPT

ITEM 1
THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor

The Franchisor is CHHJ Franchising L L C ("**we**," "**our**" or "**us**"), a Delaware limited liability company that was formed on October 20, 2006 and has its principal place of business at 1513 East 9th Avenue, Tampa, Florida 33605 We do business under our corporate name and under the trade marks College Hunks Hauling Junk® and College Hunks Moving® We will refer to the person who buys a franchise as "**you**" or "**your**" throughout this Disclosure Document If you are a business entity, "**you**" or "**your**" also includes each partner, shareholder and/or other owner of that entity

We are offering franchises for the operation of businesses operating under the Marks which provide junk removal services and/or moving services, including picking up unwanted items from residential or commercial clients and taking it to the appropriate landfill or transfer station for appropriate disposal or recycling We presently do not operate a business of the type being franchised or any other type of business However, our affiliates currently own and operate two College Hunks Hauling Junk® and College Hunks Moving® businesses that operate in the Washington DC/Maryland/Virginia market area and Tampa, Florida market area We have never offered franchises in any other line of business We began offering franchises in mid-2007

Our agents for service of process are listed in Exhibit "A" to this Disclosure Document

Our Parents, Predecessors and Affiliates

We have no predecessors Our parent company is Friedman and Soliman Enterprises, LLC ("**F&S**" or "**Parent**"), a Maryland limited liability company that was formed on March 25, 2005 and is located at 1513 East 9th Avenue, Tampa, Florida 33605 F&S owns the Marks listed in Item 13 of this Disclosure Document and has licensed them to us, including the rights to sublicense the Marks to our franchisees F&S has never offered franchises in this or any other line of business F&S does not operate a business of the type to be operated by you F&S does not provide products or services to our franchisees, nor does it guaranty our performance under the Franchise Agreement

Our affiliate, Trash Butler LLC ("**Trash Butler**"), is a Florida limited liability company that was formed on May 21, 2013 and shares our principal business address at 1513 East 9th Avenue, Tampa, Florida 33605 It provides doorstep valet trash pickup service, under the "TRASH BUTLER®" trademark and trade name, for apartment complexes and multi-family housing communities Uniformed trash valets pick up bagged garbage at the door and take it to the on-site dumpsters or compactors up to 5 times a week In certain instances, Trash Butler may subcontract these services to our franchisees, although it is not obligated to do so We may, in the future, designate Trash Butler as a National Account (see Item 12) Trash Butler has never offered franchises in this or any other line of business It does not operate a business of the type to be operated by you Trash Butler does not provide products or services to our franchisees, nor does it guaranty our performance under the Franchise Agreement

We do not have any other affiliates that are required to be disclosed in this Item

The System

Our system includes a method of providing junk removal services and/or moving services for residential or commercial clients, color scheme and custom lettered vehicles, materials and supplies, designated call center ("**First Contact Sales & Loyalty Center**" or "**SLC**"), proprietary software,

methods, specifications and procedures for operations, procedures for management control, training and assistance, and merchandising, advertising and promotional programs, and client service procedures, all of which may be changed, improved and further developed (the "**System**") Our SLC is a centralized office that receives orders for service from clients via telephone, e-mail and fax The SLC then forwards the request for service to the appropriate franchisee The SLC will schedule appointments, maintain a comprehensive client database, and may conduct follow-up calls with all clients to verify the client's satisfaction with the service, and provide you with detailed reports so that you may more effectively manage your Franchised Business

We currently offer College Hunks Moving® (moving services) as part of the College Hunks Hauling Junk® Franchised Business The College Hunks Moving® services may also include packing boxes for customers, as well as sales of boxes and packing materials If you will provide College Hunks Moving® services as part of the Franchised Business, you will need to have additional equipment, training, insurance and a different type of vehicle Providing College Hunks Moving® services is currently optional for our franchisees, but we reserve the right to require all franchisees to provide College Hunks Moving® services in the future We also reserve the right to split the College Hunks Moving® services portion of the Franchised Business into a separate franchise opportunity in the future

The System is identified by certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including the marks "College Hunks Hauling Junk®," "College Hunks Moving®," "The Junk Hunk®" (our company mascot) and the other marks listed in Item 13 of this Disclosure Document (collectively, the "**Marks**") Our Parent owns the Marks, the toll-free number 1-800-Junk-USA® and the websites www 1800junkusa com, www collegehunks com, www collegehunkshaulingjunk com, and www collegehunksfranchise com (collectively, the "**Proprietary Marks**") Our Parent has licensed the Proprietary Marks to us so that we may sublicense them to our franchisees Our Parent reserves the right to operate businesses and to license others to operate businesses using the 1-800-Junk-USA® trademark, telephone number and website anywhere, including within your Designated Territory

The Franchise Offered

You will have the opportunity to purchase a College Hunks Hauling Junk® franchise, a College Hunks Moving® franchise or both, depending on your financial ability and your professional experience The College Hunks Hauling Junk® concept and College Hunks Moving® concept are two separate but similar business models They must be budgeted for properly and treated as two separate businesses However, if you purchase both concepts, there are some shared resources, vendors, and expenses that can be enjoyed between the two businesses for economies of scale

We grant College Hunks Hauling Junk® and/or College Hunks Moving® franchises to qualified candidates for the right to develop and operate a Franchise for an area that we mutually agree on, that provides junk removal and/or moving services, including picking up unwanted items from residential or commercial clients and taking it to the appropriate landfill or transfer station for appropriate disposal or recycling, plus other related services (**"Franchised Business**") You must sign our Franchise Agreement (the "**Franchise Agreement**") in the form attached as Exhibit "C" to this Disclosure Document The Franchise Agreements grants you the right to develop and operate a single Franchised Business at an approved location

We also offer a "small market" franchise for Zones that have between 5,000 and 299,999 in population and a conversion franchise for business operators in a similar business (junk removal and/or moving services) who wish to convert their businesses to our System

Market and Competition

You will offer your services to residential and commercial customers In general, the industry for junk removal and moving services is competitive, but quite fragmented Your competition will come primarily from other junk removal and/or moving businesses, which may include moving companies In some markets, these businesses are locally based and other markets may include regional or national chains as competitors

Industry Specific Laws

Moving companies and hauling companies are regulated by federal and state law Most states have transportation agencies that oversee the state's laws State law can vary significantly from one state to the next Furthermore, the requirements and timing to acquire state and local licenses and permits vary considerably For example, California law requires moving companies to register with the California Public Utilities Commission The US Department of Transportation's Federal Motor Carrier Safety Administration administers federal laws relating to this industry and requires registration for interstate moves There may also be restrictions on licensing related to your drivers and your trucks, and you may have to obtain special permits related to junk hauling and dumping

You must comply with all applicable laws related to junk removal and disposal or providing moving services If you provide moving services, you may have to apply for and receive specific authority to conduct moves across state lines

There may be other laws and regulations applicable to the operation of the Franchised Business within a particular state and we urge you to ask about the described laws, regulations and any other laws or regulations that can impact your operation of a College Hunks Hauling Junk® and/or College Hunks Moving® Franchised Business within the specific areas licensed to you

ITEM 2
BUSINESS EXPERIENCE

Founder and CEO Omar A Soliman

Mr Soliman has been our Founder and CEO since our inception on October 20, 2006 He has held these same positions with our Parent since its inception on March 25, 2005 and our affiliate Trash Butler since its inception on May 21, 2013 In January 2005, Mr Soliman opened the first College Hunks Hauling Junk® outlet in Rockville, Maryland He continues to serve as the CEO of CHHJ, LLC ("**CHHJ**"), which owns and operates the Rockville, Maryland business He also serves as the CEO of Mansari LLC ("**Mansari**"), which owns and operates a College Hunks Hauling Junk® business in Tampa, Florida From December 2013 until December 2015, Mr Soliman was a principal owner of a BlueGrace Logistics® franchise in Tampa, Florida Since December 2013, he has also been a principal owner of a franchisee entity that owns and operates a Two Maids & A Mop® franchise in Tampa, Florida

President Nick Friedman

Mr Friedman has been our President since inception on October 20, 2006 He has held the same position with our Parent since its inception on March 25, 2005 and our affiliate Trash Butler since its inception on May 21, 2013 In January 2005, Mr Friedman joined Mr Soliman in opening the first College Hunks Hauling Junk® outlet in Rockville Maryland He continues to serve as the President of CHHJ, which owns and operates the Rockville, Maryland business He also serves as the President of

Mansari, which owns and operates a College Hunks Hauling Junk® business in Tampa, Florida From December 2013 until December 2015, Mr Friedman was a principal owner of a BlueGrace Logistics® franchise in Tampa, Florida Since December 2013, he has also been a principal owner of a franchisee entity that owns and operates a Two Maids & A Mop® franchise in Tampa, Florida

Director of First Contact Sales & Loyalty Center Tim Heidemann

Mr Heidemann joined us in Tampa, Florida, in January 2013 as Director of First Contact Sales & Loyalty Center From 2009 to 2013, he was a Director with IVANS Inc in Tampa, Florida

Vice President of Operations and Finance Roman Cowan

Mr Cowan became our Financial Controller in December 2013 He was promoted to Vice President of Operations and Finance on January 1, 2017 Prior to joining us, he was an Accountant with OneTouch Direct, LLC in Tampa, Florida from August 2010 to December 2013 From June 2010 to July 2013, he was also the Billing Coordinator for Kforce, Inc , a professional staffing firm located in Tampa, Florida

Chief Revenue Officer Chris Hachey

Mr Hachey joined us in November 2016 as Chief Revenue Officer Prior to joining College Hunks, he had a successful career at PODS Moving and Storage in Tampa, Florida beginning in February 2009 until November 2016 He started at PODs as a Consultant from February, 2009 to April, 2009, then was promoted to a Manager of eCommerce and was in that position from October, 2009 to December, 2010, then was promoted to Senior Manager of eCommerce from January, 2011 to December, 2012, and finally left PODs as the Director of eCommerce in November, 2016

Vice President of Franchise Performance Ben Fretti

Mr Fretti joined us in January 2017 as Vice President of Franchise Performance Prior to joining College Hunks, he was a Major Account Executive at Ricoh USA in Fort Lauderdale, Florida from July 2016 until January 2017 Prior to that, he was the Senior Vice President at BCT International in Fort Lauderdale, Florida from September 2008 to January 2016

Senior Manager of Franchise Performance Justin Waltz

Mr Waltz became our Franchise Business Consultant in March 2014 He was promoted to Senior Manager of Franchise Performance on January 1, 2016 Prior to joining us, he was a General Manager for Handyman Connection in Deerfield Beach, Florida from November 2011 to August 2013, and also served as General Manager for a 1-800-GOT-JUNK?® business located in Boca Raton, Florida from January 2011 to August 2013 From April 2010 to January 2011, he was a Recruiter for Aerotek Commercial Staffing in Miami, Florida

Legal and Compliance Manager Kelsie Ackman

Ms Ackman became our Legal and Compliance Specialist in September 2015 She was promoted to Legal and Compliance Manager in March 2016 Prior to joining us, she was a contract attorney at the law firm of Albertelli Law in Tampa, Florida from May 2015 to September 2015 From February 2015 to May 2015, she was an associate attorney at the Law Firm for Family Law in Clearwater, Florida Before taking time off to study for the Florida Bar Exam in 2014, she clerked at Parr Richey, Obremsky, & Patterson in Indianapolis, Indiana from May 2013 to September 2013

Franchise Development Manager Frank M Morrison

Mr Morrison has served as our Franchise Development Manager (as an independent consultant and broker for us) since April 2015 Mr Morrison also serves as a Franchise Development Manager for the following brands MidiCi Neapolitan Pizza, located in Encino, California (August 2014 to June 2015) and Menchie's Group Inc , located in Encino, California (May 2010 to June 2015)

Franchise Development Manager Danielle Wright Kimble

Ms Wright Kimble has served as our Franchise Development Manager (as an independent consultant and broker for us) since December 2014 From December 2011 to November 2014, she was the Franchise Development Manager at Checkers Drive-In Restaurants/Rally's Hamburgers headquartered in Tampa, Florida

Information Systems Manager Matt Knapp

Mr Knapp has been our Information Systems Manager since April 2013 Prior to that, he was Guest Arrival Supervisor for SeaWorld Parks & Entertainment in Tampa, Florida from March 2013 to April 2014 From February 2010 to March 2013, Mr Knapp was a Membership Sales Associate for the Museum of Science and Industry in Tampa From July 2012 to December 2012, he was also an Information Technology Intern for the University of South Florida in Tampa, Florida

Franchise Business Consultant David Raymond

Mr Raymond became a Franchise Business Consultant in August 2015 Prior to that, he was the General Manager of Discount Garage Doors, Inc from January 2010 to July 2015

Franchise Business Consultant. Brendan Powers

Mr Powers became a Franchise Business Consultant in September 2016 Prior to joining College Hunks, he was a General Manager at All My Sons Moving and Storage in South Florida from March 2015 to September 2016 Prior to that, he was a Transportation and Operations Manager for Iron Mountain in San Diego, California from June 2008 until December 2014

Ramp Up Coach Laura Butcaris

Ms Butcaris became a Ramp Up Coach in January 2016 Prior to that, she was a Franchise Coach for ActionCOACH Global from March 2015 to January 2016 She was General Manager of

Kinetic Sports Club in Pelham Manor, NY from December 2012 to March 2015, General Manager of the Mercedes Fitness based in Hoboken, New Jersey from October 2007 to June 2011

ITEM 3
LITIGATION

CHHJ Franchising L L C v Bienko Enterprises, LLC, et al, In the Circuit Court for the Thirteenth Judicial Circuit In and For Hillsborough County, Florida (Case No 16-CA-11846) CHHJ and the defendants entered into two written settlement agreements to cure various defaults by the defendants under two franchise agreements with CHHJ After the defendants defaulted under the settlement agreements, CHHJ terminated the defendants' franchises and filed suit on December 30, 2016, for damages and related equitable and declaratory relief The defendants have filed a motion for an extension of time to respond to the complaint

ITEM 4
BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item

ITEM 5
INITIAL FEES

In this Disclosure Document, all amounts paid to us or our affiliates prior to opening your franchise are considered "initial fees " The initial fees include the amounts described below

Franchise Agreement

When you sign the Franchise Agreement for either a College Hunks Hauling Junk® franchise or a College Hunks Moving® franchise, you must pay to us an initial franchise fee of $40,000 for a standard Zone A standard Zone includes a range of anywhere from 300,000 to 400,000 in population The initial franchise fee is $50,000 if you choose to offer both junk removal services and moving services in a standard Zone and you purchase both of these businesses at the same time The initial franchise fee is imposed uniformly among franchisees, based on the number of Zones purchased The initial franchise fee includes the initial license fee for the proprietary software you must use The initial franchise fee is payable in a lump sum when you sign the Franchise Agreement and is fully earned and non-refundable However, in the limited circumstance that we determine, during or at the end of initial training, that you are not qualified to own a franchise, then (i) we may terminate the Franchise Agreement, and (ii) we will refund the initial franchise fee (without interest), less the amount of any broker fees or commissions paid or payable by us to a third party in connection with the franchise sale, upon your and your owners signing a general release (you must sign the general release in order to receive the refund)

If you are a qualified U S veteran, we will discount the initial franchise fee by $5,000 The qualified U S veteran must have at least a 51% interest in the Franchised Business at all times As described below, we may offer financing to qualified franchisees of up to 70% of the initial franchise fees

If you choose to purchase either a College Hunks Hauling Junk® franchise or a College Hunks Moving® franchise without purchasing the other one, then there is no restriction on our selling the other franchise concept within your Designated Territory However, if you are in good standing under your Franchise Agreement, we will notify you of the proposed sale of the other concept and you will have 10 days after our notice to purchase the other concept If you do not, then we may sell the concept to the other franchisee If you are not in good standing under your Franchise Agreement, you will not be offered the opportunity to purchase the other concept

During the term of your Franchise Agreement, if you have chosen to purchase only one of the business concepts we offer, you may purchase the other business concept for an additional fee of $20,000, as long as you are in good standing under your Franchise Agreement and meet our then-current criteria for purchasing the additional concept, including completion of applicable training and demonstrating that you have the financial capability to purchase or lease the additional truck(s) and equipment required This additional fee is payable when we approve your purchase of the additional concept and is not refundable We do not have an obligation to reserve the other concept for you for the Designated Territory However, if you are in good standing under your Franchise Agreement, we will notify you of the proposed sale of the other concept and you will have 10 days after our notice to purchase the other concept If you do not, then we may sell the concept to the other franchisee If you are not in good standing under your Franchise Agreement, you will not be offered the opportunity to purchase the other concept

If you qualify to operate multiple Zones and wish to purchase one additional Zone at the same time you sign the Franchise Agreement, you must pay us a deposit of $10,500 The total cost of an additional Zone is $35,000 This fee is non-refundable Upon successfully operating the Franchised Business for a minimum of 6 months, you may request to complete the purchase of the additional Zone that is contiguous to your Designated Territory The option to apply for the additional Zone will remain in effect through the twelfth month of business operation To apply for the additional Zone, you must (i) be in good standing under your Franchise Agreement and all other agreements with us, (ii) complete our then-current form of franchise expansion application that may be posted in our Operations Manual or otherwise made available, and (iii) meet our then-current criteria, including, but not limited to, demonstrated financial ability and minimum revenue/performance criteria for your existing Zone(s) As of the date of this disclosure document, we require (a) minimum revenue at or above the average 6 month per population revenue attained by the prior year's brand new franchisees and (b) at least 6 months' available capital or financing (based on your reasonable estimates) We may periodically change the qualifications and criteria for purchasing additional Zones

If you do not purchase the rights to an additional Zone at the same time you sign the Franchise Agreement, you can still apply for the rights to own an additional Zone for $40,000 (per Zone) or our then-current additional Zone fee, whichever is higher This fee is non-refundable To do so, you must (i) be in good standing under your Franchise Agreement and all other agreements with us, (ii) complete our then-current form of franchise expansion application that may be posted in our Operations Manual or otherwise made available, and (iii) meet our then-current criteria, including, but not limited to, demonstrated financial ability and minimum revenue/performance criteria for your existing Zone(s) As of the date of this disclosure document, we require (a) minimum revenue of at or above the average 6 month per population revenue figure based on the prior year's franchises ramp up data and (b) at least 6 months' available capital or financing (based on your reasonable estimates) We may periodically change the qualifications and criteria for purchasing additional Zones

You must establish and maintain at least one office for every 4 Zones that you own You must sign a separate Franchise Agreement for each office

You may also choose to purchase a fraction of a Zone, either initially or during the term of your Franchise Agreement The cost of a fractional Zone is $15,000 for each additional 100,000 in population If you wish to acquire a fractional Zone after your Franchised Business has started operations, you must complete a franchise expansion application and meet our then-current criteria, as described above

All Zones you own will be listed on an exhibit to your Franchise Agreement, and the exhibit will be amended if new Zone(s) are purchased during the term of your Franchise Agreement (subject to the conditions described above) We currently limit the number of Zones you may purchase to one Zone with an option to purchase a second Zone in 6 months as stated above After the time you sign your Franchise Agreement, the total number of Zones will depend, among other things, on the performance of your existing Zones, your ability to capitalize your Franchised Business and maintain the negotiated truck roll-out schedule, and other criteria that we determine from time to time

We will not reserve Zones unless you purchased the option for an additional Zone with the refundable deposit at the time of signing the Franchise Agreement We cannot guarantee that a Zone you wish to purchase after your Franchised Business begins operations will be available We strongly discourage (and do not allow) franchisees to purchase Zones for the purpose of "land-grabbing "

"Small Market" Franchise Agreement

We also offer a "small market" franchise for Zones that have between 5,000 and 299,999 in population A small market franchisee must offer both junk removal and moving services If you are purchasing a small market franchise, the initial franchise fee will be calculated as 15¢ per person in the Zone you are purchasing For example, if your small market Zone has a population of 90,000 people, the initial franchise fee you will pay will be $13,500 The initial franchise fee is fully earned and non-refundable The initial franchise fee includes the initial license fee for the proprietary software you must use The initial franchise fee is not imposed uniformly on all franchisees We reserve the right to require you to purchase additional households for your small market franchise if we determine that the number of households is not enough to sustain a reasonable volume of business In addition, you may choose to purchase additional areas (designated by zip code) if these areas are available You will pay the same rate of 10¢ per additional person in the area you purchase

Conversion Franchise

We also offer a conversion franchise for business operators in a similar business (junk removal and/or moving services) who wish to convert their businesses to our System If you are purchasing a conversion franchise, you will pay us an initial franchise fee that is equal to our then-current initial franchise fee reduced by an amount equal to 10% of the total sales for the previous year for your existing business, but in no event will the discount exceed $30,000 For example, if the initial franchise fee is $45,000 and your moving business generated $200,000 in revenue during the previous year, the initial franchise fee will be reduced by $20,000, making your initial franchise fee $25,000 The initial franchise fee is fully earned and non-refundable The initial franchise fee includes the initial license fee for the proprietary software you must use The initial franchise fee is not imposed uniformly on all franchisees

Affiliate or Company-Owned Zones

Our affiliates may, in their discretion, offer to sell Zones they currently operate to new or prospective franchisees If this happens, the purchase price will be the otherwise applicable initial franchise fee ($40,000 or $50,000 for a new franchisee in the System or $40,000 for an existing franchisee who is purchasing an additional Zone) plus a premium of 0 5 to 1 times the annual gross sales of the Zone being purchased over the last 12 months For example, for a sale (standard Zone) to a new

franchisee for both moving and junk removal, if the sales in the affiliate or company-owned Zone were $50,000 for the previous year, then the purchase price would be the initial franchise fee of $50,000 plus a maximum premium of $50,000 If less than a 12-month operating history is available, the gross sales to date will be converted to an annualized amount to determine the purchase price

There are no other payments to or purchases from us or any affiliate that you must make before your Franchised Business opens

We reserve the right, in our discretion, to offer qualified franchisees to finance up to 70% of the initial franchise fee with us

Performance Refund

If you own at least one full Zone and fail to reach $180,000 in Gross Sales during your first 18 months of operations, and you have followed the System with no material defaults, you may exit the business and we will refund 50% of your initial franchise fee for your 1st Zone (i e $20,000 if you purchased moving or junk removal, or $25,000 if you purchased both services) You must submit a request in writing at 18 months if you wish to exercise this exit/refund option We will review your request and notify you within 30 days of your request If we approve, then you must sign a mutual termination and release of us at that time We will refund the 50% of initial franchise fee within 90 days of acceptance of your request and after we have received the signed mutual termination and release and you have fulfilled your post-term obligations under the Franchise Agreement You must be in full compliance with your Franchise Agreement, and you must have followed the system entirely in order to qualify for this refund

Performance Incentive

If you purchase a brand-new Zone (not a Zone that has previously been owned and developed) and reach $400,000 in Gross Sales during your first 18 months of operations in said Zone, and you have followed the System with no material defaults, we will pay you a marketing incentive of $5,000 You must submit a request in writing at 18 months if you wish to exercise this incentive If you purchase and open an additional brand new Zone after commencement of the first brand new Zone, you will have another 18 months from the commencement date of the additional Zone to reach $400,000 in Gross Sales in said Zone to request an additional marketing incentive of $5,000 This Performance Incentive applies to all additional brand new Zones that are purchased after the original brand new Zone We will review your request and notify you within 30 days of your request If approved, we will credit your royalty payments by $5,000 within 90 days of acceptance of your request You must be in full compliance with your franchise agreement, and you must have followed the system entirely in order to qualify for this incentive credit

Deposit Agreement

In limited instances, we may require you to pay a deposit to us in an amount that is equal to 30% of your initial franchise fee In that case, you must sign a Deposit Agreement, which will be provided to you upon signing the Franchise Agreement The deposit you pay to us under the Deposit Agreement is not refundable, but will be applied toward the initial fee you must pay to us for the franchise you purchase

ITEM 6
OTHER FEES

Type of Fee (1)	Amount	Date Due	Remarks
Continuing Royalty Fee(3)	7% of Gross Sales (2)	Payable on the 3rd and 18th days of each month by electronic funds transfer	This amount is due on all Gross Sales for Services within your Designated Territory We charge a 7% Continuing Royalty Fee for Gross Sales outside your Designated Territory (the **"Outside Gross Sales"**) However, if your Outside Gross Sales are more than 30% of the total Gross Sales of your Franchised Business, you must either purchase the additional Zone or we may charge you an additional 5% Continuing Royalty Fee on the Outside Gross Sales in addition to your other fees including the standard 7% Continuing Royalty Fee You may not provide Services outside the Designated Territory without our prior written consent You must stop providing Services outside the Designated Territory immediately upon receipt of notice from us to stop (See Note 9)
Minimum Annual Royalty – Moving Only / Junk & Moving (3)	$6,000 per Zone during 1st year of operations, $7,200 per Zone during 2nd year of operations, $9,600 per Zone during 3rd year of operations, $12,000 per Zone during 4th year of operations, and $14,400 per Zone during each subsequent year of operations The	Within 15 days of each anniversary of the date the business commences operations	This is only payable if the total Continuing Royalty Fees paid by you in any year of operations are less than the total Minimum Annual Royalty for that year (See Notes 3 and 9)

Type of Fee (1)	Amount	Date Due	Remarks
	amount payable by you is the amount by which the Minimum Annual Royalty exceeds the total Continuing Royalty Fees actually paid by you during that year of operations		
Minimum Annual Royalty – Junk Only (3)	$4,500 per Zone during 1st year of operations, $5,400 per Zone during 2nd year of operations, $7,200 per Zone during 3rd year of operations, $9,000 per Zone during 4th year of operations, and $10,800 per Zone during each subsequent year of operations The amount payable by you is the amount by which the Minimum Annual Royalty exceeds the total Continuing Royalty Fees actually paid by you during that year of operations	Within 15 days of each anniversary of the date the business commences operations	This is only payable if the total Continuing Royalty Fees paid by you in any year of operations are less than the total Minimum Annual Royalty for that year (See Notes 3 and 9)

Type of Fee (1)	Amount	Date Due	Remarks
SLC Support Fee (4)	$799 per month for junk-only franchises which includes software, service and support $945 per month for moving only or junk and moving franchises which includes software, service and support	Payable at the same time and in the same manner as the Continuing Royalty Fee	This fee compensates us for administering the SLC (including staffing and equipment purchases), software license and upgrades, and maintenance fees for our intranet We reserve right to adjust every year to reflect consumer price index changes There is no SLC Fee for the first 6 months unless the franchise results from a transfer or renewal (See Note 9)
SLC Appointment Fee (4)	$19 per scheduled appointment by the SLC	Payable at the same time and in the same manner as the Continuing Royalty	You will not be required to pay this fee for self-generated sales, self-booked sales, online bookings, or jobs that cancel prior to the day of the scheduled appointment "Per booking" or "per appointment" means a booked move, booked junk removal estimate, booked in-home estimate, or booked junk removal consultation We reserve right to adjust every year to reflect consumer price index changes (See Note 9)
Brand Development Fee (5)	2% of Gross Sales (2)	Payable at the same time and in the same manner as the Continuing Royalty Fee	The Brand Development Fund is described in Item 11 (See Note 9)
Local Advertising	$1,000 per service (junk removal services or moving services or both) per Zone or 5% of Gross Sales per month, whichever is greater The minimum	To be spent each month	Payable to local advertising suppliers We must approve all local advertising before its use We reserve the right to require you to pay this money to us and we will conduct local advertising on your behalf We may require our

Type of Fee (1)	Amount	Date Due	Remarks
	required amount you must spend does not include marketing collateral and supplies		franchisees to form regional advertising cooperatives in their local markets (See Note 6)
E-mail Account	We currently do not charge for the first 3 e-mail addresses, but you must pay $8 per month for each additional e-mail address/account	As invoiced	For brand consistency, we will assign or designate all e-mail accounts used in the operation of your franchised business We have the right to control the use of all e-mail accounts You must reimburse us for the per-user cost of the e-mail account(s) associated with your franchised business These fees may increase if our costs increase
CHC Bookkeeping Program	$150 per month to $950 per month depending on your monthly revenue		This fee compensates us for administering the CHC Bookkeeping Program, including staff and software expenses
Transfer Fee (Franchise Agreement)	$15,000	Upon transfer	No fee is imposed for transfers to an entity formed by you for the convenience of ownership Fees are paid by either you or the buyer and will apply to each Franchise Agreement that is transferred or assigned to an approved third party
Renewal Fee	$5,000	At time of renewal	At time of renewal
Late Renewal Fee	$50 per day	As incurred	If you sign the Renewal Franchise Agreement after the Franchise Agreement expires, you must pay us $50 per day for every day that your Franchised Business operates without a Renewal Franchise Agreement
Non-Compliance Fee (8)	Infraction fee up to $2,000 per infraction	On demand after written warning for non-compliance occurrences	If there are 3 or more infractions in any 12-month period (whether or not such infractions are cured after

Type of Fee (1)	Amount	Date Due	Remarks
			notice), we may terminate your Franchise Agreement
Late Reporting Fee	$150 per late report, increases to $250 for any consecutive violation(s)	On demand	For any reports that are not provided to us within 3 business days of their due date We are not required to issue prior warnings before assessing late reporting fees (See Note 9)
Initial Training and Additional Personnel Training	No fee for the first 2 people who attend initial training ($500 per person after the first 2) A per person fee will be determined by us for Additional Personnel Training and depends on the instructor's fee, travel, lodging, meals, and any instructional materials associated with the training topic	15 days prior to training	We do not charge any additional money for the initial training for up to 2 people Additional training is provided, if necessary, for you, your managers or your employees at a fee per person You are responsible for all travel, meals, lodging, and wages for your trainees
Refresher Training Program/ Continuing Education	Out of pocket expenses only, which will depend on the location of the program and the level of experience of our representative	As incurred	We have the option of providing refresher training or other training programs, which can last up to 5 days, but can be on-line or in class, as we determine
Enrichment Training	$500 per person	On demand	Enrichment training is described in Item 11 You must pay all expenses you incur related to enrichment training if we require you to participate because your Franchised Business is not performing satisfactorily, including all travel, meals, lodging, and wages for you and your trainees
Cancellation Fee	$300 per person	As incurred	If your personnel fail to attend the Training Program

Type of Fee (1)	Amount	Date Due	Remarks
			they register for, or if the registration is not cancelled 4 weeks in advance (or longer), you must pay a $300 Cancellation Fee per person
Interest on Overdue Amounts	18% per annum or highest rate allowed by applicable state law	On demand	Any amounts not paid when due will be a default of your Franchise Agreement and will accrue interest Interest will accrue from the original due date until payment is received in full
Audit	Amount of the deficiency, plus interest, if audit is due to non- reporting or reveals an understatement of 2% or more, then you must pay the amount of the deficiency or $500, whichever is greater, plus the cost of the inspection or audit	15 days after billing	If a deficiency occurs, we have the right to terminate the Franchise Agreement without opportunity for you to cure the default
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	Payable upon your failure to comply with the Franchise Agreement
Indemnification	Will vary under circumstances	As incurred	You must reimburse us if we are held liable for claims arising from your Franchised Business' operations
Annual Franchisee Convention (if held)	Currently $500 per person, excluding cost of transportation and lodging	As incurred	At least one person per franchise must attend this Annual Convention, which will last up to 3 days
Missed Convention Fee	$500	On demand	If you do not attend the Annual Convention and your absence is not excused by us This is in addition to the Annual Franchise Convention Fee (currently $500)
Liquidated Damages	Your Average monthly royalties	15 days after termination	This only applies if we terminate your franchise

Type of Fee (1)	Amount	Date Due	Remarks
	during 12 months prior to termination times the greater of (a) 24 or (b) the number of months remaining in the term at the time of termination		agreement for cause prior to its expiration
Supplier Testing	Our costs to evaluate the proposed supplier	On demand	If you request that we approve a supplier or product, you must reimburse us for our costs in evaluating the supplier or product
Service Vehicle Replacement	As incurred	As negotiated	We may require you to replace your service vehicle if an existing vehicle is no longer in good condition (including paint and graphics and working condition) We will not make this request more frequently than every 7 years Payable to vehicle suppliers and/or finance companies
Insurance	Reimbursement of our costs	On demand	If you do not obtain the required insurance, we may (but are not required to) obtain insurance on your behalf
Management Fee	$3,000 per month plus expenses	As incurred	If we have to step in and operate your Franchised Business for you, in certain circumstances due to your failure to operate in accordance with our standards, you must pay our management fee and reimburse our expenses
Additional Principal	$2,500	If incurred	If you request that we modify the Franchise Agreement to include an additional person as either a franchisee or a franchisee's principal
Violation of Non-Competition	$10,000	On demand	If you violate any of the non-competition covenants

Type of Fee (1)	Amount	Date Due	Remarks
Covenant			
Mystery Shopper Program	$200 per shop	On demand	Payable by you if we determine your Franchised Business has received a significant amount of negative feedback This is in addition to enrichment training
Penalty Fee for Sales in Another Franchisee's Designated Territory	Amount equal to 20% of job revenue for 1st violation, 50% of job revenue for 2nd violation, and 100% of job revenue for 3rd violation	On demand	If you perform Services in a designated territory granted to another franchisee (or reserved for us or our affiliate), you must pay a penalty fee equal to a percentage of the job revenue for each violation Repeated violations may result in termination of your Franchise Agreement
National Account Commission	Varies on case-by-case basis depending on the size of the National Account and the scope of services that we provide in managing or servicing the National Account or the National Accounts program	As incurred	If you participate in our National Accounts Program, we may charge you a commission or other fee, in addition to the Continuing Royalty Fee, for securing and/or servicing any National or Regional Account(s) and/or administering the National Accounts program These fees will be described in the applicable National Accounts agreement or the Operations Manual
Temporary Zip Codes Leasing Fee	$50 per month	As incurred	Payable if you and we agree that you are permitted to service clients in zip code(s) outside of your designated territory

(1) Unless otherwise noted in the chart, all fees are imposed uniformly on all franchisees by and payable to us and are non-refundable

(2) "**Gross Sales**" means and includes the actual gross revenues billed to clients of a franchisee in connection with all products and/or services sold and/or performed for such clients, whether for cash, check, barter, debit or credit card, plus any other revenues derived from the operation of the Franchised Business and all amounts received by the franchisee from any activities or services

(whether authorized or unauthorized) that are in any way associated with the Proprietary Marks or the System, or from the sale of any unauthorized products or services (whether or not such sales are made through the Franchised Business) that are competitive with products or services offered or sold by us or our affiliates, but excluding (i) federal, state or municipal sales, use, service or excise taxes collected from clients and paid to the appropriate taxing authorities and (ii) client refunds Gross Sales also includes revenue that would have been collected had the client actually paid for services rendered but didn't, regardless of if the service was performed gratuitously by the franchisee or if the client refused to pay for service rendered (whether through returned checks, stop payment on a credit card or check, etc) Gross Sales does not currently include revenues from re-sale items, consignments, recycling, scrap, etc , but we reserve the right, in our sole discretion, upon 30 days' prior notice to you, to include such revenues in the definition of Gross Sales If we elect to include these types of revenue in Gross Sales, we will provide the franchisee with systems and training regarding the re-sale of such items Although we do not currently include recycling/scrap related revenue in Gross Sales for purposes of the Continuing Royalty Fee and/or Brand Development Fee, you are required to report recycling/scrap revenue to us on the 2nd and 17th day of the month (or as otherwise provided in the Manual from time to time)

(3) The Continuing Royalty Fee is the brand licensing fee that you pay to us for being part of our growing national brand and for the use of the Marks If, at the end of any year of operations, the total of all Continuing Royalty Fees paid to us that year is less than the "**Minimum Annual Royalty**" amount for that year, you must pay us an amount equal to the difference between the Minimum Annual Royalty and the total of all Continuing Royalty Fees actually paid to us for that year The amount of such difference (if any) must be paid to us on or before the 15th day of the month immediately following the anniversary of the date that you commence operations of the Franchised Business An excess royalty from one zone will not offset the minimum royalty shortfall due from any other zone The Minimum Annual Royalty amounts are as follows

Year of Operations	Moving Only or Junk & Moving Franchises Minimum Annual Royalty*	Junk Only Franchises Minimum Annual Royalty*
1	$6,000 per Zone	$4,500 per Zone
2	$7,200 per Zone	$5,400 per Zone
3	$9,600 per Zone	$7,200 per Zone
4	$12,000 per Zone	$9,000 per Zone
5 or subsequent	$14,400 per Zone	$10,800 per Zone

*Royalty paid in excess of the Minimum Annual Royalty in any Zones is neither applied nor will it offset, any shortfall due to us in any other Zone

(4) The Support Fee covers technology (Hunkware software license and ongoing software development), client surveys, software, communication automation, live chat, customer service response and follow up, helpdesk, management, etc The Appointment Fee is charged for each appointment scheduled or booked by the SLC The Appointment Fee is the sales funnel for your business

(5) The Brand Development Fee is used for brand development and includes online bookings on a system-wide basis See Item 11 for a description of the Brand Development Fund

(6) If we terminate your Franchise Agreement for cause, you must pay us within 15 days after the effective date of termination liquidated damages equal to the average monthly Royalty Fees you

paid or owed to us during the 12 months of operation preceding the effective date of termination multiplied by (a) 24 (being the number of months in 2 full years), or (b) the number of months remaining in the Agreement had it not been terminated, whichever is higher Liquidated damages only applies if we terminate your Franchise Agreement due to your willful non-compliance with the terms of and your obligations under the Franchise Agreement, your failure to cure a material default within the timeframe required, and repeated, willful defaults of the Franchise Agreement

(7) There currently are no advertising cooperatives If an advertising cooperative is formed by us for your area, or formed by franchisees and approved by us for your area, you must join the cooperative Each Franchised Business and Franchisor-owned business (collectively, the "**Outlet**") in the cooperative will have one vote, regardless of the number of Zones owned by the Outlet Contributions to the cooperative will be determined by majority vote of the cooperative members If the members vote to have contributions be a percentage of Gross Sales, then the percentage to be contributed shall not be greater than one-half of the local advertising requirement If the members vote to have contributions on a fixed fee basis, then each member must contribute the fixed fee for each Zone owned by that member, and the fixed fee cannot exceed one-half of the local advertising requirement, unless agreed to by unanimous vote of the cooperative members We must approve of the contribution methods and amounts after the cooperative members have determined them

(8) Non-compliance fees will be charged for non-compliance with the Franchise Agreement or any of the procedures, standards and specifications described in the Manual This includes, but is not limited to, truck maintenance and safety standards, employee appearance and uniforms, and First Contact Sales & Loyalty Center requirements (such as time to contact customers, missed appointments, etc) The non-compliance fee amounts are described in the Manual and may be amended by us from time to time The non-compliance fee amounts may vary depending on the nature and frequency of the non-compliance event, as determined by us in our sole discretion For example, (a) we currently impose a non-compliance fee of $250 per person, per violation, if you or any of your employees fail to wear the required uniform or do not maintain a neat and clean appearance, and (b) up to $2,000 for misreporting or client service incidents Each event of non-compliance also constitutes an event of default under your Franchise Agreement, entitling us to terminate the Franchise Agreement if you do not timely cure the default

(9) We may require any and all fees payable under the Franchise Agreement to be paid to us by electronic funds transfer You must sign any forms that we or your bank require to electronically transfer funds from your bank operating account to us for payment of these fees

(10) CPI Adjustment All fixed dollar amounts used in the Franchise Agreement will be adjusted as of January 1 of each year in proportion to the changes in the Index, subject to an annual Inflation Adjustment, not to exceed an increase of 2% per year, except to round upwards to the nearest whole dollar The term "Inflation Adjustment" refers to Franchisor's right to increase a fee, or obligation to decrease a fee, based upon an increase or decrease in the Index The Index refers to the Consumer Price Index (U S Average, all items) maintained by U S Department of Labor (or such equivalent index as may be adopted in the future) between January 1, 1995 and January of the then-current year, or a comparative index Franchisor may select if the Index is no longer published Each adjustment will be made effective on January 1 based on the January Index, but the 1st adjustment will not be made until at least 12 months following your Franchise Agreement Date Franchisor's failure to adjust any fixed dollar amounts due to changes in the Index at any time does not constitute a waiver of its right to do so at any other time, including for past periods However, Franchisor will not impose such adjustments retroactively

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure (3)	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made(1)
Initial Franchise Fee (Notes 2 and 3)	$40,000 to $50,000	Lump sum	When you sign the Franchise Agreement	Us
Rent – 3 Months (Note 4)	$600 to $2,500	As arranged	As arranged	Landlord
Lease, Utility and Security Deposits (Note 4)	$100 to $700	As arranged	As arranged	Landlord, Utility Companies
Paint and Signage (Vehicle) (Note 5)	$3,100 to $5,500	As arranged	As incurred	Approved Suppliers
Service Vehicle – Deposit on Lease or Finance (Note 6)	$-0- to $22,000	As arranged	As incurred	Approved Suppliers
Equipment and Hand Tools (Note 7)	$2,000 to $6,000	As arranged	As arranged	Approved Suppliers
Office Equipment and Supplies (Note 8)	$2,000 to $6,000	As arranged	As incurred	Suppliers
Business Licenses & Permits (Note 9)	$500 to $3,000	As arranged	As incurred	Local and other state government agencies
Professional Fees (Note 10)	$1,000 to $2,500	As arranged	As arranged	Various service providers and contractors
Insurance Deposit (Note 11)	$500 to $5,000	As arranged	As arranged	Insurance providers
Training Expenses (Note12)	$1,500 to $5,000	As arranged	Payment terms arranged with suppliers and your employees	Suppliers and your employees

Type of Expenditure (3)	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made(1)
Business Ramp-Up Advertising (Note 13)	$10,000 to $20,000	As arranged	As arranged	Suppliers
Additional Funds (6 months) (Note 14)	$28,000 to $80,000	As arranged	As needed	Us, suppliers, employees and other creditors
TOTAL ESTIMATED INITIAL INVESTMENT (Note 15)	**$89,300 to $208,200**			

(1) In general, none of the expenses listed in the above chart are refundable, except any security deposits you must make may be refundable Our estimate assumes that you are purchasing one Zone only If you open multiple Zones, the initial investment would be higher The high end of the estimated initial investment assumes that you are purchasing both the College Hunks Hauling Junk® and College Hunks Moving® concepts The above table also applies to the "small market" franchise for Zones and a conversion franchise for business operators in a similar business

(2) All fees are payable to us, unless otherwise stated

(3) Franchise Fee The initial franchise fee is discussed in detail in Item 5 If you are purchasing a standard Zone, the initial franchise fee is $40,000 to $50,000 This does not reflect the potential investment for a small market fee which is less than the standard Zone fee If you are purchasing a small market franchise, the initial franchise fee will be calculated as 15¢ per person in the Zone you are purchasing and the Initial Franchise Fee will range from $750 to $49,999 90 If you are purchasing a conversion franchise, you will pay us an initial franchise fee that is equal to our then-current initial franchise fee reduced by an amount equal to 10% of the total sales for the previous year for your existing business, but in no event will you pay less than $5,000

(4) Rent, Lease, Utility and Security Deposits You will need an office space of approximately 200 to 300 square feet for the Franchised Business The costs for your rental and security deposits will depend on, among other things, the size of the space you choose to rent and your creditworthiness We do not permit that you operate the Franchised Business from your home However, you may operate from your home while you are searching for an office but you must be operating your franchise from an office within 90 days of opening If you purchase a conversion franchise and your existing office is from your home, you must operate your franchise from an office

(5) Signage Your truck will need to be painted the color that we specify You will also need to letter your vehicles in accordance with local ordinances, our guidelines and the Operations Manual Our estimate represents the painting and signage costs for one truck If you purchase

both concepts, you will need painting and signage for at least two trucks If you are a conversion franchise, you must paint your existing trucks to our specifications

(6) Service Vehicle Our estimate represents the down payment on a service vehicle If you purchase your truck outright instead of leasing or financing it, you will pay between $45,000 and $63,000 Our current service vehicle specifications are included in our Operations Manual and are subject to change The truck you must use in the College Hunks Hauling Junk® concept must have our custom designed dump bed Our custom dump body manufacturer and specifications are separate from the truck manufacturer's specifications and design The estimated cost of the dump body is approximately $16,000 to $22,000, and the estimated costs for the truck is between $30,000 and $45,000 The estimate includes the cost to lease or finance the truck and have the dump body built and installed, but does not include any amounts if you have an older truck that needs to be retrofitted to meet the new clean diesel rules that took effect in 2010 We anticipate that diesel truck prices are expected to continue to increase as a result of the new diesel standards, and we reserve the right to approve alternative vehicle options if they meet our performance standards and brand consistency See Item 12 for requirements for you to purchase or lease additional trucks for your Franchised Business The estimated lease amount for the first 3 months of operation is between $3,000 and $4,000 We reserve the right to modify the required vehicle and introduce new vehicle specifications and retrofit requirements such as roll-off containers If you wish to purchase a used truck for your Franchised Business, the truck must be approved by us before you purchase it If you purchase a conversion franchise, you may still be required to purchase new vehicles or truck equipment to match our current specifications

If you purchase the College Hunks Moving® concept, you will need a different style truck If you will offer moving services, you will incur an additional $5,000 to $40,000 for a used truck, depending on the age and condition of the truck, or from $45,000 to $80,000 for a new truck Any moving truck you purchase or lease must meet our specifications for size, appearance, and performance If you wish to purchase a used moving truck, the truck must be approved by us before you purchase it These estimates are based on the assumption that these vehicles are financed If you purchase the vehicles for cash, your initial investment costs would be higher

(7) Equipment and Hand Tools Our list of required equipment is provided in the Operations Manual The required tools include hand tools, global positioning system (GPS) for navigation purposes, credit card processor, cleaning tools and other materials The cost of uniforms is also included in this estimate If you purchase a conversion franchise, you must purchase our required uniforms

If you purchase the College Hunks Moving® concept, you must also purchase appliance dollies, 4-wheel dollies, piano boards, rubber bands, moving pads (72" x 80"), and other miscellaneous inventory such as marketing inventory, wall map, packing supplies, and boxes We estimate that the initial cost of these items will be between $2,000 and $5,000

(8) Office Equipment and Supplies The office equipment you must purchase and maintain includes a computer, printer/fax/copier, initial marketing materials, truck supplies, and miscellaneous office supplies, and may include office furniture

(9) Business Licenses & Permits The costs estimated above include an estimate for the required dump permits, in addition to other business licenses and permits you may be required to have by your local government If you purchase the College Hunks Moving® concept, you will have separate license and permit requirements If you purchase a conversion franchise, you will not incur this additional expense unless you add the College Hunks Moving® concept Moving

license requirements vary significantly state by state with some states having very rigorous and expensive licensing requirements You are encouraged to investigate your state's moving license requirements

(10) Professional Fees You will need to have an attorney and an accountant and possibly other professionals

(11) Insurance The figures in the chart are your monthly premiums The low end of our estimate assumes that you are purchasing one concept and your Franchised Business will have one truck, the high end of our estimate assumes that you are purchasing both concepts and your Franchised Business will have two trucks and the additional insurance required to provide moving services, such as cargo insurance and employee dishonesty insurance In rare cases, you will have to pay the entire annual premium in a lump sum, or you may pay your premiums quarterly or semi-annually You must obtain the amounts and types of coverage which meet our minimum specifications

(12) Training The figures in the chart are your expenses during initial training You will have salary, travel and lodging expenses For this training program, we provide instructors and instructional materials, but you will need to arrange for transportation, lodging and food for yourself and one other trainee The cost will depend on the distance you must travel and the type of accommodations you choose

(13) Business Ramp-Up Advertising You must conduct a business ramp-up (grand opening) advertising campaign to promote your Franchised Business within the first 180 days of commencing each service (moving and junk removal), and the advertising you need may include media buys and promotional items including point-of-sale items and merchandise The required amount you must spend for business ramp-up is $10,000 per service per Zone (i e $10,000 for moving and $10,000 for junk removal) We must approve your business ramp-up advertising campaign before you use it, and the programs/materials must be spread over each 180-day period from the date you begin providing each service We may require you to pay this money to us and we will spend it on your behalf using the marketing methods that we have identified as being most effective

(14) Additional Funds You will need capital to support ongoing expenses, such as payroll, utilities, vehicle fuel and maintenance, and local advertising if these costs are not covered by sales revenue during the start-up phase, which we estimate to be 6 months New businesses often generate a negative cash flow We estimate that the amount given will be sufficient to cover ongoing expenses for the start-up phase of the business, which we estimate to be 3 months This is only an estimate and there is no guarantee that additional working capital will not be necessary during the start-up phase or after

(15) The estimates provided above assume that you will have one Service Vehicle and own one Zone ***If you choose to purchase both concepts and/or multiple Zones, your initial investment will be significantly higher*** We relied upon our principals' and affiliates' experience in providing junk removal since 2005 and moving services since 2011 when preparing these figures However, these figures are merely estimates and there is no assurance that additional working capital will not be necessary during this initial 3-month phase or at any time after the initial 3 months The costs outlined in this Item 7 are not intended to be a forecast of the actual cost to you or to any particular franchisee

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Purchases from Us

Currently, you must use the proprietary software we specify for your Franchised Business, which is hosted by our approved proprietary software provider as specified in our Confidential Operations Manual (the "**Operations Manual**") We are the only approved supplier of our proprietary software, but we do not earn a profit by providing this item to you or charge you a separate fee for the license Rather, the cost of the initial license for the proprietary software is included in the initial franchise fee The ongoing costs for upgrades and operations are included in the SLC Support Fee

We are also an approved supplier of certain printed advertising materials, internet advertising and direct mail advertising, and in the future, we may be an approved supplier for packing materials such as boxes and tape Our affiliates are not currently suppliers of any products or services provided in establishing or operating your Franchised Business and do not currently derive any revenue from franchisees' required purchases or leases We reserve the right to earn a profit from the sale of certain items to our franchisees

We are an approved supplier as described above There are no other approved suppliers in which any of our officers owns an interest

Approved Suppliers

In addition to your required purchase or lease of your service vehicle, there may be other required purchases from designated or approved suppliers Our specifications for your service vehicle will be included in our Operations Manual and are subject to change The service vehicle for providing junk removal services must be a model year 2007 or later Isuzu NPR HD (or other make and model we approve) and must be equipped with our custom designed dump bed and a Global Positioning System for navigational purposes The service vehicle for providing moving services must be a 24 or 26 foot diesel moving truck with a hydraulic lift gate and must be equipped with a Global Positioning System for navigational purposes (you may be permitted to use a smaller enclosed box truck with our prior written consent) Eventually you must own at least one service vehicle for each Zone you have in your Designated Territory and for each franchise concept you purchase) You may choose to have more than one service vehicle for each Zone, but each additional service vehicle must be approved by us and our approval may be subject to a review of the performance of your Franchised Business' operations You must have a web-enabled PDA (personal digital assistant) (with calendar and scheduling capabilities) for scheduling and communicating while on the road, and you must maintain a cell phone for your Franchised Business

The cost of those items that you must purchase from us or our designated suppliers in relation to the entire initial purchases represents between 50% to 75% of your total purchases in connection with the establishment of your Franchised Business and between 25% to 30% of your total purchases in operating your Franchised Business

During 2016, neither we nor our affiliates received any rebates or other revenue or benefits from suppliers arising out of franchisees' purchases of goods or services However, we did receive a total of $130,850 of voluntary sponsorship funds from various suppliers utilized to help defray our costs of organizing and producing our annual franchise reunion, but these were neither required payments nor were they based on franchisees' required purchases of products or services There were 28 sponsors that contributed between $20,000 in voluntary sponsorship funds

During 2016, we received revenues of $27,400 related to franchisees' purchases or leases from us where we acted as a "pass through" to facilitate the franchisees' purchases of products and services from third party suppliers and vendors for direct mail advertising, uniforms, promotional products, software, and internet marketing This amount represents less than 1% of our total revenues of $7,879,428 for the fiscal year ended December 31, 2016 Of the $27,400 in revenues, we retained approximately $2,300 as an administrative fee and paid the balance to the suppliers and vendors

We require all of your appointments to be scheduled, processed, reviewed and delivered by the designated First Contact Sales & Loyalty Center ("**SLC**") The SLC will disperse all jobs to you and our other franchisees You are also permitted to take on jobs if you generate leads on your own, but you must report all information to the SLC before performing any jobs that you or your employees generate in accordance with the terms of the Franchise Agreement

You must purchase or lease equipment, including products and related supplies, that meet our minimum standards and specifications or are from suppliers that we approve, and if we develop any proprietary products or equipment in the future, you must purchase these from us or our designated supplier For example, you must operate your Franchised Business using only our proprietary software Currently, you must purchase a computer that is able to run our software program, a power bar with surge protector and combination laser printer/scanner

We will notify you in our Operations Manual or by other communications of our standards and specifications and/or names of approved suppliers There may be situations where you can obtain items from any supplier who can satisfy our requirements and, therefore, would be considered an approved supplier There are currently no purchasing or distribution cooperatives, but we may have them in the future and we expect to be paid fees from these vendors or approved suppliers We may negotiate with vendors and suppliers to provide pricing benefits for us, our affiliates and our franchisees In doing so, we seek to promote the overall interests of our franchise system and our interests as the franchisor We may develop preferred vendor programs for certain items or services, and you must participate in such preferred vendor programs, which may require you to enter into an agreement with the preferred vendor or approved supplier We may limit the number of preferred vendors or approved suppliers with whom you and other franchisees may deal

Standards and Specifications

We have developed standards and specifications for services provided by you You must operate your Franchised Business according to these standards These standards will guide you in the performance of the College Hunks Hauling Junk® and College Hunks Moving® products and services provided in operating your Franchised Business We formulate our specifications and standards according to industry standards and standard business practices

If you want to use any product or material that does not comply with the standards of the System or is to be purchased from a supplier that has not yet been approved, you must first submit a written request for approval of the proposed supplier and obtain our approval of the supplier before purchasing any items from this supplier We will, within a reasonable time (within 30 days), notify you of our decision We will periodically establish procedures for submitting requests for approval of items and suppliers and may impose limits on the number of approved items and suppliers Approval of a supplier may be conditioned on requirements relating to product quality, production and delivery capabilities, ability to meet our supply commitments, financial stability, integrity of standards of service, familiarity with our System and ability to negotiate favorable terms for our franchisees We do not generally make available to you these criteria for supplier approval You must reimburse us for our reasonable actual

costs in evaluating the potential supplier or product We may revoke the approval of any supplier at any time and if we do so, we will notify you in writing

We do not provide any material benefit to franchisees for use of approved suppliers We may negotiate purchase arrangements with some of our suppliers (including price terms) for the benefit of our franchisees, but we are under no obligation to do so The arrangements we negotiate may include that approved suppliers pay us a sponsorship fee to help pay for the costs of an annual franchisee convention or fees, rebates, or other compensation for our administrative, procurement and consulting services We do not currently receive payment, in the form of preferred pricing, from any suppliers due to these suppliers' transactions with us or our franchisees

You may sell junk removal services and moving services that are approved by us and which strictly conform to our Operations Manual All products and services approved by us must be offered for sale on a continuous basis at your Franchised Business at the time and in the manner required by us No sale of any product or service except those products or services approved by us may be solicited, accepted or made at or from your Franchised Business If requested by us on at least 30 days' notice as part of a general program or standardization effort by us, the marketing of a particular product or service must be discontinued Then this product or service is no longer an approved product or service

You must offer a money-back satisfaction guarantee to your customers for the services you provide We reserve the right to establish a "mystery shopper" program and if we do, you must participate in the program A significant level of negative feedback from your customers or an unsatisfactory result of a mystery shop will be a default under your Franchise Agreement and we may require you to participate in enrichment training We will pay for the costs related to any mystery shop, except that if we find a significant amount of negative feedback has occurred, we reserve the right to require you to pay for additional mystery shopping services in addition to your participation in enrichment training

We may occasionally conduct market research and testing to determine consumer trends and salability of new products, materials and services You must cooperate by participating in our market research programs, test marketing new products and services and providing timely reports and other relevant information regarding marketing research In connection with test marketing, you must purchase a reasonable quantity of products to be tested and effectively promote and make a reasonable effort to sell the products, materials and services We may also require you to sign an agreement with us authorizing the test marketing

In addition to the purchases or leases described above, you must obtain and maintain, at your own expense, the insurance coverages that we periodically require Our required insurance coverages will be included in the Operations Manual and may change during the term of your Franchise Agreement and based on the franchise concept(s) you purchase We may regulate the types, amounts, terms and conditions of insurance coverage required for your Franchised Business and standards for underwriters of policies providing required insurance coverage, our protection and rights under the policies as an additional named insured, required or impermissible insurance contract provisions, assignment of policy rights to us, periodic verification of insurance coverage that must be furnished to us, our right to obtain insurance coverage at your expense if you fail to obtain required coverage, our right to defend claims, and similar matters relating to insured and uninsured claims

You currently must maintain the following minimum insurance coverages (1) comprehensive general liability insurance and comprehensive product liability insurance against claims for bodily and personal injury, death, and property damage caused by or occurring in conjunction with the operation of your Franchised Business or your conduct of business under the Franchise Agreement under one or more

policies of insurance containing minimum liability coverage of $1,000,000 per occurrence and $2,000,000 aggregate, (2) Workers' Compensation or other employer's liability insurance as well as any other insurance as may be required by statute or rule in the state(s) in which your Franchised Business is located or operates, and (3) automobile liability coverage, including coverage of owned, non-owned and hired vehicles of $1,000,000 per occurrence, and these automobile liability amounts must be maintained for each service vehicle We recommend, but do not require, that your comprehensive general liability policy include employment practices coverage

If you will offer moving services, then, in addition to the insurance described above, you must also obtain cargo insurance for damage or loss to the cargo while it is being moved, and coverage while items are being loaded, unloaded or otherwise in your possession We currently require you to maintain cargo insurance coverage of $50,000 per truck, regardless of the truck's size or the amount of property being moved If you will offer moving services, we recommend, but do not require, that you obtain (a) employee dishonesty insurance of not less than $10,000, and (b) a third party dishonesty bond of not less than $10,000

In addition to the insurance requirements described above, we recommend, but do not require that you obtain the following additional insurance for the Franchised Business (1) general casualty insurance including fire and extended coverage, vandalism, theft, burglary and malicious mischief insurance for the replacement value of your Franchised Business and its contents, and (2) an umbrella policy

You must maintain all required policies in force during the entire term of the Franchise Agreement and any renewal terms We may periodically increase or decrease the amounts of coverage required under these insurance policies and require different or additional kinds of insurance at any time, including excess liability insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances Each insurance policy must name us (and, if we request, our directors, employees or shareholders) as additional insureds and must provide us with 30 days' advance written notice of any material modification, cancellation or expiration of the policy We reserve the right to obtain from your insurance carrier(s) periodic reports of losses (such as monthly, quarterly and/or annually), and you must authorize your insurance carrier(s) to provide us with these reports

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 Disclosure Document

Obligation	Article in Franchise Agreement	Disclosure Document Item
(a) Site selection and acquisition/lease	Article IX	Items 7 and 11
(b) Pre-opening purchases/lease	Articles V and IX	Items 7 and 11
(c) Site development and other pre-opening requirements	Not Applicable	Items 7 and 11
(d) Initial and ongoing training	Article V	Items 6, 7 and 11
(e) Opening	Article IX	Item 11

Obligation	Article in Franchise Agreement	Disclosure Document Item
(f) Fees	Articles VIII, XI and XVI	Items 5, 6, 7 and 8
(g) Compliance with standards and policies/Operations Manual	Articles VI and IX	Items 8, 11, 14 and 16
(h) Trademarks and proprietary information	Articles VII and XIV	Items 13 and 14
(i) Restrictions on products/services offered	Articles III and IX	Items 8 and 16
(j) Warranty and customer service requirements	Article IX	Items 8 and 16
(k) Territorial development and sales quotas	Article III	Item 12
(l) On-going product/service purchases	Article V	Items 6 and 8
(m) Maintenance, appearance and remodeling requirements	Article IX	Not Applicable
(n) Insurance	Article X	Items 7 and 8
(o) Advertising	Article XI	Items 6, 7 and 11
(p) Indemnification	Article XIII	Item 6
(q) Owner's participation/ management/ staffing	Article IX	Items 11 and 15
(r) Records/reports	Articles IX and XII	Item 6
(s) Inspection/audits	Articles IX and XII	Item 6
(t) Transfer	Article XVI	Items 6 and 17
(u) Renewal	Article IV	Items 6 and 17
(v) Post-termination obligations	Article XVIII	Item 17
(w) Non-competition covenants	Article XV	Item 17
(x) Dispute resolution	Article XX	Items 11 and 17
(y) Liquidated Damages	Article XVIII	Item 6

ITEM 10
FINANCING

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

ITEM 11
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, we are not required to provide you with any assistance

Pre-Opening Obligations

Before the opening of a Franchised Business we will provide the following assistance and services

1 Provide you with the manufacturer of and specifications for your vehicle, custom dump body and signage so that you can lease or purchase the accepted vehicle for your Franchised Business (Franchise Agreement – Section 9 5)

2 Lend you one copy of the Operations Manual (Franchise Agreement – Section 5 1)

3 Provide an initial training program at our offices, the cost of training 2 persons is included in your initial franchise fee, excluding transportation, lodging, meals and salary (Franchise Agreement – Section 5 3) This training is described in detail later in this Item

4 Provide, in addition to or in conjunction with the initial training program, additional assistance as we deem necessary or advisable (Franchise Agreement – Section 5 4)

5 Provide you with access to our directory of franchisees either in print or via intranet (Franchise Agreement – Section 5 16)

6 Identify your Designated Territory (Franchise Agreement – Section 2 1)

7 Provide electronic artwork and templates for various documents and for advertising purposes (Franchise Agreement – Section 5 20)

Post-Opening Obligations

During the operation of a Franchised Business we will provide the following assistance and services

1 Provide guidance and assistance in the operation of your Franchised Business This guidance may be provided in the form of intranet or e-mail communications and periodic telephone communications, and the First Contact Sales & Loyalty Center ("**SLC**") system is to be used for the benefit of each of our franchisees The SLC is a centralized operations center located at our headquarters The SLC will receive leads which it will distribute to you and all of our other franchisees based on the zip codes in their Designated Territory (Franchise Agreement – Section 5 14)

2 Issue, modify and supplement standards for the System that may regulate any one or more of the following regarding your Franchised Business (a) hours of operation, (b) marketing and sale of services, (c) maintenance of your vehicle, (d) checklists, (e) general rules and regulations for employees, in their dealings with customers and their property, but any other information relating to terms and/or conditions of employment are not mandatory but merely suggestions All other matters that in our sole judgment require standardization and uniformity in all Franchised Businesses (Franchise Agreement – Article VI)

3 Provide you with the suggested pricing structure for your jobs and provide you with the maximum prices that you may charge for a job (Franchise Agreement – Section 5 10)

4 Assist you in resolving disputes between you and third parties relating to your Franchised Business (Franchise Agreement – Section 5 21)

Advertising

Brand Development Fund

We maintain a brand development fund (the "**Fund**") The Fund will deduct a biweekly, non-refundable Brand Development Fee which will be 2% of your Gross Sales The Fund will be used for brand development, including online bookings, on a system-wide basis We will determine, in our fully unrestricted discretion, the manner in which the Fund will be spent Some portion of the Fund may be used for creative concept production, marketing surveys, test marketing and related purposes We have the right to direct all advertising activities of the Fund with sole discretion over creative concepts, materials and media used, as well as their placement and allocation and we will employ agencies, including advertising and public relations agencies, as we determine will best achieve the goals of the Fund and these agencies will be paid from the Fund We also have the right to determine, in our sole discretion, the composition of all geographic and market areas for the implementation of these advertising and promotional activities In 2016, no percentage of the Fund was used principally for the solicitation of new franchise sales

The Fund is intended to maximize general public recognition in all media of the Proprietary Mark and patronage of College Hunks Hauling Junk® and College Hunks Moving® Franchised Businesses, and we have no obligation to ensure that expenditures of the Fund in or affecting any geographic area are proportionate or equivalent to payments of the Brand Development Fee by franchisees operating in that geographic area, or that any Franchised Business will benefit directly or in proportion to the Brand Development Fees paid for the development of advertising and marketing materials or the placement of advertising We have the right to reimburse ourselves out of the Fund for the total costs (including indirect costs) of developing, producing, implementing and/or distributing any advertising programs and materials and collecting the Brand Development Fee, including accounting, collection, bookkeeping, reporting and legal expenses incurred with respect to the administration and development of the Fund, and, in addition, for the services provided, we are entitled to receive out of the Fund an administrative fee equal to 10% of the amounts actually expended to cover our related services, salaries, supplies and overhead expenses

The Fund is not our asset, and it is not a trust We do not owe you any fiduciary obligations because we maintain the Fund We may spend in any calendar year an amount greater or less than the aggregate contributions made by all Franchised Businesses contributing to the Fund in that year We may make loans to the Fund (and the Fund may borrow from us or other lenders) bearing reasonable interest to cover any deficits of the Fund or cause the Fund to invest surplus for future use Any money remaining in the Fund at the end of any year will carry forward to be used in the next year

Any Franchised Businesses owned by us or by our affiliates will contribute to the Fund on the same basis as you Funds from the Brand Development Fees paid will be accounted for separately from our other funds These Funds will not be used to defray any of our general operating expenses, except as described in the paragraph above We will prepare, and furnish to you upon written request, an unaudited annual statement of Funds collected and costs incurred You may obtain an accounting of the Fund by requesting same in a written request to us

We may incorporate the Fund or operate it through a separate entity whenever we want to The Fund is intended to maximize general public recognition and patronage of all College Hunks Hauling Junk® and College Hunks Moving® businesses and the Proprietary Marks for the benefit of all College Hunks Hauling Junk® and College Hunks Moving® businesses We have no obligation to ensure that expenditures by the Fund are proportionate or equivalent to contributions by College Hunks Hauling Junk® or College Hunks Moving® businesses or that any College Hunks Hauling Junk® or College Hunks Moving® business will benefit directly or in proportion to its contribution to the Fund from the conduct of marketing programs or the placement or advertising

We have the right, but no obligation, to use collection agents and institute legal proceedings to collect Fund contributions at the Fund's expense We also may forgive, waive, settle and compromise all claims by or against the Fund

We may at any time defer or reduce the Brand Development Fee of a business and, upon 30 days' prior written notice to you, reduce or suspend the Brand Development Fee and Fund operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Fund If we terminate the Fund, we will distribute all unspent monies to all businesses in the System (whether franchised or operated by us or our affiliates) in proportion to their respective Brand Development Fees paid during the preceding 12 month period If we reinstate the Fund, it will be maintained as described above

During 2016, the Fund expended monies for advertising as follows

Item	Percentage Expended
Production	22%
Media Placement	78%
Administration	0%
Other (marketing personnel recruitment and miscellaneous items)	0%
TOTAL	**100%**

Local Advertising

You must place your initial listing in the White Pages of your local telephone directories This listing will list the SLC's client service number A Yellow Pages advertisement is not required, but if you choose to place an advertisement in your Yellow Pages, it must first be approved by us and you must pay all costs related to the advertisement

You must spend no less than $1,500 for moving service advertisement per Zone and $1,100 for junk hauling per Zone, or 8% of Gross Sales, whichever is greater, each month on local advertising and marketing This amount does not include the cost of any marketing collateral or supplies At our discretion, we may request, and you must provide, reports and receipts evidencing the placement of advertising

Your advertising promotion and marketing must be completely clear, factual and not misleading and conform to the highest standards of ethical advertising and marketing and the advertising and marketing policies that we periodically prescribe Before you use them, you must send us for approval samples of all advertising, promotional and marketing materials which we have not prepared or previously approved If you do not receive written or verbal approval within 20 days after we receive the materials, they are deemed to be disapproved You may not use any advertising, promotional or marketing materials that we have disapproved Advertising promotional or marketing materials which we

must approve include any information on a web home page or otherwise on the Internet You may not operate any web site involving, referring to or in any way related to a competitive business You may not use the Marks as part of any domain name, electronic address or search engine and cannot maintain your own website under any circumstances

Any and all advertising we approve for your use in your local market will become our property upon our approval and we may use this advertising for our own purposes You must advertise your Franchised Business using the telephone number and website address we specify

At our request, you must give your local advertising money to us and we will conduct your local advertising for you using the marketing methods that we have identified as being the most effective

Advertising Cooperatives

We will have the right, as we see fit, to establish an advertising cooperative ("**Cooperative**") for any area where there are two or more Franchised Businesses in operation, or we may approve a Cooperative formed by franchisees within an area The purpose of a Cooperative is to conduct advertising campaigns for the Franchised Businesses located in that area Contributions to a Cooperative will be determined by majority vote of the members of the Cooperative Any amounts paid to a Cooperative will count as part of your local advertising requirement, but if the amount you contribute to a Cooperative is less than the amount you must spend on local advertising, you must still spend the difference locally

If a Cooperative for your area was established before you began to operate your Franchised Business, then when you open your Franchised Business, you must immediately join that Cooperative If a Cooperative for your area is established after you begin to operate your Franchised Business, then you will have 30 days to join the new Cooperative An individual Franchised Business will not need to be a member of more than one Cooperative If we (or an affiliate) contribute to a Cooperative, we will have the same voting rights for our Franchised Businesses as do our franchisees with respect to their Franchised Businesses Each Franchised Business in the Cooperative, regardless of the number of Zones owned by the Franchised Business, will have one vote on Cooperative matters

The Cooperative members will determine who will administer the Cooperative The written governing documents will be available for review by you Cooperatives do not need to prepare annual or periodic financial statements, but if they are prepared, they may be reviewed by you We will have the power to require cooperatives to be formed, changed, dissolved or merged, and we will have final approval on the contribution methods (i e , percentage of Gross Sales versus flat fee) and contribution amounts

As of the date of this Disclosure Document, there are no advertising Cooperatives in existence

Business Ramp-Up Advertising

You must submit a written plan for a business ramp-up advertising campaign This business ramp-up advertising is to be conducted by you in connection with the grand opening of your Franchised Business, and must be conducted during the first 180 days of commencing each service At our request, you must give us the money for your business ramp-up advertising campaign and we will conduct the campaign on your behalf in your local market using the marketing methods that we have identified as being most effective

Advisory Councils

We reserve the right to develop one or more advisory councils for the System If we develop a franchisee advisory council program, you must actively participate in all council activities, follow the

guidelines as stated in any council bylaws drafted by us, and pay all reasonable dues and assessments levied by the council program, which shall count toward your Local Advertising requirement described above The purpose of the council program shall include exchanging ideas between franchisees, exchanging ideas between franchisees and us, and providing suggestions for improving the overall quality of the System Franchisee representatives are nominated for the council and voted on the council by other franchisees in the System Any council formed will not have decision making authority, but is a means of providing insight, recommendations and communication between us and franchisees We will have the right to form, change, merge or dissolve any council at any time

We currently have one advisory council which includes 9 franchisee representatives and 6 franchisor representatives

Internet and Social Media

You must strictly comply with our social media policies relating to internet websites, including your participation in social or networking websites (such as Facebook, Youtube, Yelp, LinkedIn and Twitter), the promotion of your Franchised Business on the internet, and the use of the Proprietary Marks on the internet Our policies will be included in our Operations Manual and may be periodically updated

Site Selection and Opening

We estimate that between 30 and 60 days will elapse from the date you sign the Franchise Agreement to the opening of your Franchised Business for business We will establish your Designated Territory and each additional Zone you may purchase based on population, as determined by the most recently published data from the U S Census Bureau (or any other source we decide to use) Your Franchised Business must be opened for business not later than 30 days after we approve the Designated Territory for your Franchised Business or 90 days after you sign the Franchise Agreement, whichever occurs first You will need to lease approximately 200 to 300 square feet of office space for your Franchised Business No site selection assistance is provided nor is any criteria issued, however, the office location is subject to our acceptance You cannot use your or any other residence as the office for the Franchised Business You may not open your Franchised Business for business until (1) we determine that your Franchised Business has been equipped and stocked with materials and supplies in accordance with plans and specifications we have approved, (2) the initial training program we provided has been completed to our satisfaction by the initial trainees, (3) the initial franchise fee and all other amounts due to us have been paid, (4) you have furnished us with all certificates of insurance required by the Franchise Agreement, (5) you have obtained all required governmental permits, licenses and authorizations necessary for the operation of your Franchised Business, (6) you are in full compliance with all the terms of the Franchise Agreement, and (7) all items in our opening checklist have been complied with to our satisfaction

Training Programs (HUNK UNIVERSITY)

Before the Franchised Business's opening and within 30 days of signing the Franchise Agreement, we will provide a mandatory training program in the operation of your Franchised Business to you and one additional person (for a maximum of 2 people) at our Hunk University Approximately 5 to 15 days of training will be conducted at our headquarters in Tampa, Florida The cost of the training program is included in your initial franchise fee and will be provided to you and one additional person All attendees must complete the training program to our satisfaction However, you must pay for all costs of travel, food, lodging, wages and other incidental expenses incurred by you and your employees in attending the training program (Franchise Agreement – Section 5 3) In addition, we may elect to provide up to 3 days of additional on-site training during the first 3 months of operations of your Franchised Business, and periodically as we deem necessary If you fail to complete the training program

to our satisfaction, we may elect to terminate the Franchise Agreement and keep the entire initial franchise fee

We will also provide additional training programs, refresher courses or "on-the-job" training at a mutually convenient time You must pay us our then-current per diem fee for each of our representatives conducting this training for each day the training continues The per person cost of the class or training will be determined by us based on the cost of the instructor's fee, travel, lodging, food and materials associated with the training topic You must also pay all expenses of travel, lodging, meals, meeting rooms and materials incurred by our representatives (Franchise Agreement – Section 5 4)

When we decide to hold it, you or your representative must attend our annual convention and pay an attendance fee, currently estimated to be $500 per person, plus travel and lodging

The materials we use in conducting our training program includes our Operations Manual, Software Manual, and any other materials that we believe will be beneficial in the training process There currently are no fixed (*i e*, monthly or bi-monthly) training schedules, but we anticipate providing training 4 times a year We project the following training schedule

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Introduction to College Hunks Hauling Junk and College Hunks Moving® & Competitive Advantages	2	0	Online Training Module
Daily Operations	3	18	Online Training Module and Tampa, Florida
Safety & Accident Prevention	2	0	Online Training Module
Client Estimating, Sales & Negotiation	2 5	4	Online Training Module
History, Philosophy and Vision of College Hunks Hauling Junk	2	0	Tampa, Florida
Use of the Manual	0 5	0	Tampa, Florida
Services provided to College Hunks Hauling Junk® Franchisees	0 5	0	Tampa, Florida
Pre-Opening Procedures	5	0	Tampa, Florida
Goal Setting	1	1	Tampa, Florida
CHHJ Proprietary Software Training	2	3	Tampa, Florida
Human Resources	2	1	Tampa, Florida
Advertising/Marketing	6	1	Tampa, Florida

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Budgeting	2	2	Tampa, Florida
Accounting Systems	1	3	Tampa, Florida
Sales Procedures	3	4	Tampa, Florida
Pricing	1	0	Tampa, Florida
Management Procedures	2	2	Tampa, Florida
Client Service Procedures	3	2	Tampa, Florida
SLC Orientation	1	1 5	Tampa, Florida
Scheduling Jobs	1	0 5	Tampa, Florida
Franchise Reporting Requirements	0 5	0	Tampa, Florida
Junk Hauling and Safety Procedures – Truck Ops, Driver and Manager Training	3	6	Online Modules and Tampa, Florida
Moving Technical Training – Truck Ops, Driver and Manager Training	8	6	Online Modules and Tampa Florida
TOTAL	**53**	**55**	

Notes

1 It is the nature of the business that all aspects of the training are integrated so there are no definitive starting and stopping times We reserve the right to modify the training program at any time to accommodate the individual needs and/or experience of a particular trainee

2 All of our instructors are part of our management team Their bios are listed in Item 2 Justin Waltz has primary responsibility for providing the initial training program He has 3 years' experience delivering the training program and 7 years' relevant experience in the field The minimum experience of the instructors in the field that is relevant to the subject taught and our operations is from 2 to 7 years

3 If you are an existing franchisee and you wish to offer moving services, you must receive our moving training We will not charge you a separate fee for this training, but you must pay for all expenses you and your other trainees incur while attending this additional training

Enrichment Training

We may require you to participate in a form of enrichment training if your Franchised Business is not performing satisfactorily You must pay us an enrichment training fee of $500 per person You are also responsible all expenses you or your trainees occur, including but not limited to salaries, lodging, food, and travel Enrichment training may include that you must attend additional training at our headquarters, we may send one of our trainers to your Franchised Business to provide additional training,

we may require you to visit another Franchised Business for additional training, and/or we may require you to participate in periodic conference calls Your Franchised Business will be deemed to not be performing satisfactorily if you are not meeting the required minimum performance standards, your Franchised Business has suffered negative growth for 6 or more consecutive months, you have reporting problems (including failure to comply with our reporting procedures and/or late reporting for two or more consecutive periods), you have a high level of damages or customer complaints, or you are not responding to calls according to our requirements (including calls from us, the First Contact Sales & Loyalty Center and customers) Unsatisfactory performance is a default under your Franchise Agreement

We will provide you with notice that your Franchised Business is not performing satisfactorily, the nature of the default and the actions you must take to cure the default You will have 3 months to complete the actions we designate and bring your Franchised Business up to our performance requirements If you are unable to do so within this 3-month period, we will have the right to terminate your Franchise Agreement

Computer Systems and Software

Currently, you must purchase a computer whose configuration should be at least as follows 2 0 GHz Pentium 4 processor, 4 GB RAM, 200 GB hard drive, Recordable CD drive, 10/100 Ethernet NIC, DSL or cable modem, power bar with surge protector and a combination laser printer/scanner Minimum software requirements include Windows 7, antivirus software, Office 2013 Pro, the latest version of Google Chrome, Adobe Acrobat Reader, QuickBooks (on-line account) and our proprietary software In addition, you must have a software or hardware firewall for your computer system, as well as a maintenance contract for your computer You must provide us with your user ID and password for your QuickBooks account

You must maintain a dedicated business e-mail account for the Franchised Business We currently require Microsoft® Office 365 We will create and assign the e-mail account to you for use during the term of the Franchise Agreement, and we will have administrative access to your business e-mail account You will be responsible for the per user cost associated with e-mail and Office 365 accounts that we establish for your Franchised Business Neither you, nor any of your owners or employees, are permitted to use an e-mail address that is not associated with our CHHJ com URL for your College Hunks Hauling Junk® and/or College Hunks Moving® franchised business

The proprietary software, which will be used by our franchisees and which you must use in the operation of your Franchised Business, is hosted by our approved software developer as specified in our Operations Manual The proprietary software performs some functions for operating your business The software is primarily used for booking jobs, client management, fee reporting, and other resources for your Franchised Business We will, periodically, provide maintenance and upgrades for the proprietary software, and the costs for these are included in the SLC Support Fee, but neither we nor our affiliates will provide you with any other updates, upgrades or maintenance for your computer system

There are no specific contractual obligations limiting the frequency or cost of your obligation to acquire upgrades and updates for the computer system or to replace obsolete or worn out hardware or equipment The frequency could be annually or bi-annually, they would be at your cost We estimate that the initial cost of your computer system will be between $500 and $1,000

You must have a high speed internet service provider approved by us with internet access and e-mail We will use these methods to communicate with our franchisees You must periodically access our Intranet for updates, information and communications

The data concerning jobs performed by us, our affiliates and our franchisees will primarily be maintained on the central computer used by the First Contact Sales & Loyalty Center, however, we reserve the right to request additional data and records from you All data collected will become our property, and we reserve the right to share reports and performance information of any franchisee with other franchisees in the System for comparison and development Except for your business e-mail and QuickBooks account, we do not have direct access to the data on your computer However, we may in the future require that you install and maintain systems that permit us to access and retrieve electronically any information stored in your computer system, including information concerning the Gross Sales of the Franchised Business Any personal information inadvertently obtained from you or your computer system will not be provided to any other franchisee or any third party

You must participate in and provide financial information as required by us in connection with any profitability benchmarking programs we develop or designate from time to time for College Hunks Hauling Junk® and/or College Hunks Moving® businesses Profitability benchmarking systems are designed to measure the financial performance of franchisees and the overall franchise system, and may be used to collect and prepare financial performance information for our franchise disclosure document or for any other purpose that we deem appropriate There are no restrictions on our right to use information collected or obtained in connection with any profitability benchmarking programs or contained in any other reports or information that you submit to us under the Franchise Agreement or the Operations Manual Failure to provide any financial information may result in you being required to enroll in the CHC Bookkeeping Program

Operations Manual

Attached to this Disclosure Document as Exhibit "F" is the Table of Contents of the Operations Manual, which includes multiple volumes The Operations Manual (all volumes) includes approximately 576 pages

Dispute Resolution

If we become aware of a dispute between you and one or more third parties relating to your Franchised Business, we may take one or more of the following actions

1 We may take no action other than to instruct you to resolve the dispute in a manner that will not cause injury to the College Hunks Hauling Junk® and/or College Hunks Moving® brand or System

2 We may assist you and the third parties to resolve the dispute if we believe our assistance will constructively resolve it

3 If we believe that the dispute cannot or will not be resolved and that the dispute will or may damage the Proprietary Marks, the System and/or the goodwill associated with them, we may, with advance written notice to you, resolve the dispute directly with the third party by paying any damages alleged and supported by documentary evidence by the third party, including attorneys' fees, and you must indemnify us for any payments we make You must reimburse all costs we incur related to this settlement We may, but are not required to, consult with a designated franchisee group to provide an opinion regarding resolution of the dispute, but we are not required to comply with any opinion provided In providing the advisory group with facts related to the dispute, we will use our best efforts to keep information relating to the identities of the disputants confidential

ITEM 12
TERRITORY

Franchise Agreement

We will grant you a Designated Territory within which to operate your Franchised Business, which will be the first (or only) Zone you purchase We will establish your Designated Territory and each additional Zone you may purchase based on population, as determined by the most recently published data from the U S Census Bureau (or any other source we decide to use) We anticipate that each Zone will have a population of between 300,000 to 400,000 people During the term of your Franchised Business, when we refer to your "**Designated Territory**," it will include all contiguous Zones you purchase Your Designated Territory, including each Zone, will be listed on Exhibit "A" to your Franchise Agreement This exhibit will be updated to reflect any additional Zone you purchase as well as your truck rollout schedule (see below) The Designated Territory size will not be reduced or increased due to any change in population of any Zones during the term of your Franchise Agreement

We (and any affiliates that we periodically might have) will not establish, nor allow another franchise owner to establish, another Franchised Business located within your Designated Territory, except that if you only purchase one of the concepts being offered in this Disclosure Document (i e , College Hunks Hauling Junk® franchise or College Hunks Moving® franchise) and not both, we have the right to operate such other concept, or to grant a franchise to another franchisee to operate such other concept, within your Designated Territory If you are in good standing under your Franchise Agreement, we will notify you of the proposed sale of a franchise for the other concept in your Designated Territory You will have 10 days after receipt of our notice to purchase the other concept, provided you (a) meet our then-current qualifications for purchasing the additional concept, (b) demonstrate, to our reasonable satisfaction, your financial capability to purchase or lease the additional truck(s) and equipment required for the additional concept, (c) complete any required training for the additional concept within the time period we specify, and (d) pay the additional fee for such concept If you do not, then we may grant a franchise to the other franchisee for such concept If you are not in good standing under your Franchise Agreement, you will not be offered the opportunity to purchase the other concept and we may operate or grant a franchise to anyone else for the operation of such concept within your Designated Territory

We currently offer College Hunks Moving® (moving services) as part of the College Hunks Hauling Junk® Franchised Business The College Hunks Moving® services may also include packing boxes for customers, as well as sales of boxes and packing materials If you will provide College Hunks Moving® services as part of the Franchised Business, you will need to have additional equipment, training, insurance and a different type of vehicle Providing College Hunks Moving® services is currently optional for our franchisees, but we reserve the right to require all franchisees to provide College Hunks Moving® services in the future We also reserve the right to split the College Hunks Moving® services portion of the Franchised Business into a separate system / franchise opportunity in the future

While we encourage you to expand to your maximum potential, including acquiring additional Zones and/or Franchised Businesses, you must meet certain minimum qualifications before you will be eligible to purchase additional Zone(s) or acquire another Franchised Business Our approval of your request to purchase additional Zone(s) or another Franchised Business is not a guarantee that any Zone or such Franchised Business will be successful We do not grant you any options or rights of first refusal to acquire additional Zone(s) or franchises unless agreed to in writing at the time of signing the Franchise Agreement

If you wish to purchase additional (contiguous) Zones at the same time you sign your Franchise Agreement, you must pay us a deposit of $10,500 The total cost of an additional Zone is $35,000 If you have been operating the Franchised Business for a minimum of 6 months, you may request to complete the purchase of the additional Zone that is contiguous to your Designated Territory To do so, you must (i) be in good standing under your Franchise Agreement and all other agreements with us, (ii) complete our then-current form of franchise expansion application that may be posted in our Operations Manual or otherwise made available, and (iii) meet our then-current criteria, including, but not limited to, demonstrated financial ability and minimum revenue/performance criteria for your existing Zone(s) As of the date of this disclosure document, we require (a) minimum revenue of at or above the average 6 month per population revenue figure based on the prior year's franchises ramp up data and (b) at least 6 months' available capital or financing (based on your reasonable estimates) We may periodically change the qualifications and criteria for purchasing additional Zones

If you wish to purchase additional (contiguous) Zones during the term of your Franchise Agreement, you must submit our then-current form of franchise expansion application that may be posted in our Operations Manual or otherwise made available You will not be eligible to purchase any additional Zone(s) unless you are in good standing under your Franchise Agreement and meet our then-current qualifications and criteria As of the date of this Disclosure Document, these qualifications and criteria include the following

(a) Your current Franchised Business must be in operation for at least 6 months before you may apply to purchase additional Zone(s) and at least 12 months before you may apply to acquire a new Franchised Business You must have achieved at least $30,000 in Gross Sales per month per existing Zone for the current Franchised Business,

(b) You must demonstrate, to our reasonable satisfaction, that you have minimum "liquid capital" equal to 6 months of operating capital for the entirety of the Designated Territory (including the additional Zone(s) or new Franchised Business you wish to purchase), based on your reasonable projections The term "**liquid capital**" means all cash, loans, and lines of credit for the Franchised Business, and other assets that can be liquidated in less than one week,

(c) You must submit an annual financial statement for the Franchised Business for the most recently completed fiscal year, a year-to-date profit and loss statement, a balance sheet as of the end of the calendar month preceding your request to purchase the additional Zone(s) or new Franchised Business, and current personal net worth statements for your owners, to demonstrate your financial ability to operate multiple Zones and/or another Franchised Business, and

(d) You must be in good standing and full compliance with your existing Franchise Agreement and all other agreements relating to the Franchised Business (such as financing documents, vehicle or equipment leases, etc), and any other agreements between you (or your affiliates) and us (or our affiliates)

We reserve the right to grant or refuse to grant an additional Zone or Franchised Business, in our sole discretion We cannot guarantee that a Zone you wish to purchase after your Franchised Business begins operations will be available unless agreed to in writing at the time of signing the Franchise Agreement We will make our determination of whether or not to grant additional Zone(s) or a new Franchised Business based on our own assessment of each franchisee's individual qualifications

If you wish to acquire additional Zone(s) after you commence operations of the Franchised Business and we approve such request, in our sole discretion, we may require you to sign our then-current

form of Franchise Agreement and ancillary agreements (which may contain terms that are materially different from your existing Franchise Agreement), which will replace and supersede your existing Franchise Agreement The term of this new Franchise Agreement may, in our sole discretion, be modified to expire when your original agreement would have expired

You must sign a separate franchise agreement for each office and physical location, and you must have at least one office per 4 Zones For example, if you purchase 5 Zones, you must have 2 offices and 2 separate franchise agreements You must satisfy our then-current qualifications and prepare a business plan and demonstrate financial viability to operate more than 1 Zone

Except for your right of first refusal to acquire the other concept (if you do not initially purchase both the College Hunks Hauling Junk® and College Hunks Moving® concepts offered under this Disclosure Document), you do not receive any options, rights of first refusal, or similar rights to acquire additional franchises or territories

You must use your best efforts to promote and increase the sales and services of the Franchised Business to effect the widest and best possible distribution and sale of products and services and to solicit potential clients and accounts for junk removal and/or moving services within your Designated Territory Except for the Minimum Annual Royalty described below, continuation of your territorial exclusivity does not depend on your achieving a certain sales volume, market penetration, or other contingency

Each year during the term of your Franchise Agreement, you must generate a minimum amount of Gross Sales to meet our Minimum Annual Royalty requirements If you fail to achieve the level of Gross Sales to generate the Minimum Annual Royalty amount, you must pay us an amount equal to the difference between the Minimum Annual Royalty and the total of all Continuing Royalty Fees actually paid to us for that year In addition, we may, at our option, take back a Zone (if you have purchased multiple Zones) and/or remove exclusivity from all or a portion of your Designated Territory, if you fail to generate the level of Gross Sales that correspond to the Minimum Annual Royalty Amount

The Minimum Annual Royalty amounts are as follows and vary depending on the type of franchise services offered

Year of Operations	Moving Only or Junk & Moving – Minimum Annual Royalty (Per Zone)*	Junk Only – Minimum Annual Royalty (Per Zone)*
1	$6,000	$4,500
2	$7,200	$5,400
3	$9,600	$7,200
4	$12,000	$9,000
5 or subsequent	$14,400	$10,800

*Royalty paid in excess of the Minimum Annual Royalty in any Zones is neither applied nor will it offset, any shortfall due to us in any other Zone

The first year of operations begins on the "Commencement of Business," which is the date that the Franchised Business first receives any revenues or provides any Services, whichever occurs first Each subsequent year of operations is measured from the respective anniversary of the Commencement of Business

If the Franchise Agreement relates to the renewal of an existing franchise, the Minimum Annual Royalty will be the amount set forth under year "5 or subsequent" for the entire term Similarly, if the Franchise Agreement relates to the transfer of an existing franchise, the Minimum Annual Royalty (and

any increases) will be based on the number of years the franchise has been in operation as of the effective date of the Franchise Agreement

These minimums should not be deemed to be a projection or estimation of how much money or revenue you might be able to generate from your Designated Territory These minimums have been established to permit you to maximize the revenues to be generated from your Designated Territory and to provide as much market penetration as possible so as to build brand-equity within the Designated Territory Since a Franchised Business may be considered seasonal in some areas of the country, you should consider that your Franchised Business may earn less revenue during certain times of the year

You will not receive an exclusive territory You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control

You will not receive an exclusive territory You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control

During the term of the Franchise Agreement, we (and any affiliates that we periodically might have) have the right

(1) to establish and operate, and grant rights to other franchise owners to establish and operate, Franchised Businesses or similar businesses at any locations outside of the Designated Territory and on any terms and conditions we deem appropriate,

(2) to offer and sell, and grant rights to other franchise owners to offer and sell, any junk removal, moving and/or related products or services identical or similar to, or dissimilar from, those your Franchised Business sells, inside or outside of the Designated Territory, whether identified by the Proprietary Marks or other trademarks or service marks, through any distribution channels we deem best, as long as we do not (i) utilize the same distribution channel(s) used in your Franchised Business (including the Internet), to offer and sell identical or similar products or services using the Proprietary Marks or confusingly similar marks, or (ii) operate a business that offers or sells identical or similar products or services within your Designated Territory using the Proprietary Marks or confusingly similar marks,

(3) to purchase or otherwise acquire the assets or controlling ownership of one or more businesses identical or similar to your Franchised Business (and/or franchise, license, and/or similar agreements for these businesses), some or all of which might be located within the Designated Territory,

(4) to be acquired (regardless of the form of transaction) by a business identical or similar to Franchised Businesses, except that if we are acquired by a competing business that has one or more outlets located within your Designated Territory, you will have the option (to be exercised within 30 days after our notice to you regarding the acquisition) to request that we buy back your Franchised Business according to the buyback provisions described below and in Article XXI of the Franchise Agreement, and

(5) to engage in any other business activities not expressly prohibited by the Franchise Agreement, anywhere

You may relocate your Franchised Business only with our prior written approval Our approval will be based upon many factors, including the viability of the then-current location and demographics (including population, size of the space and rental costs relating to the proposed location) You may not

relocate your Franchised Business without our prior approval Our approval will not be unreasonably withheld This approval should not be construed as an assurance or guaranty that the new site will be successful Our approval is based on certain limited set of factors, such as the number of residential homes, traffic patterns, size of the premises, lease terms, competition, and similar factors If we approve the relocation of your Franchised Business, the new location must be within your Designated Territory

You may use the Internet to advertise only in compliance with the Franchise Agreement and the Operations Manuals You may not engage in any promotional activities or sell any junk removal, moving or related services, directly or indirectly, on or through the Internet or other alternative distribution channels, such as catalog sales or telemarketing, including toll-free numbers, directed to or received from clients or prospective clients While you may place advertisements in printed media and on television and radio that are targeted to clients and prospective clients located within your Designated Territory, as determined and approved by us, and will not be deemed to be in violation of the Franchise Agreement if those advertisements, because of the natural circulation of the printed media or reach of television and radio, are viewed by prospective clients located outside your Designated Territory, you may not make any sales or perform services for clients unless the First Contact Sales & Loyalty Center directs those leads to you, because the First Contact Sales & Loyalty Center will determine which franchisee will perform these services

You may not directly solicit or service clients located outside of your Designated Territory In limited circumstances, we may approve your providing services to clients in an unassigned Zone If your Gross Sales from providing services to clients outside of your Designated Territory is 30% or more of your total Gross Sales, we reserve the right to require you to purchase that Zone if you wish to continue providing services in it In this event, you must meet our then-current qualifications to purchase an additional Zone If you choose to not purchase the additional Zone, or do not meet our then-current qualifications to purchase the additional Zone, we may, at our option (a) require you to immediately stop providing services in that area, or (b) allow you to continue providing services in that area subject to your payment of an additional 5% Continuing Royalty Fee in addition to the standard 7% Continuing Royalty Fee (12% total) of your Gross Sales outside the Designated Territory The additional 5% will be non-refundable, but can be applied to the purchase of additional Zones (although it does not guarantee the purchase of such additional Zones) We reserve the right to require you to service clients who are outside of your Designated Territory but within a 15-mile radius of the Designated Territory If the job is at a location greater than the 15-mile radius, you have the choice whether you wish to provide the services

Neither we nor our affiliates have established, or presently intend to establish, other franchised or company-owned outlets that provide similar products or services under a different trade name or trademark, but we reserve the right to do so in the future, without first obtaining your consent In addition, our Parent reserves the right to use the "1-800-Junk-USA" toll-free number, website and proprietary mark for businesses that offer similar services anywhere, including within your Designated Territory

Our affiliate has established and operates a doorstep valet trash pickup service under the trademark and trade name "Trash Butler® " which contracts with apartment complexes and multi-unit housing communities to pick up bagged garbage placed outside residents' doors and take it to on-site dumpsters or compactors up to 5 times per week In certain instances, Trash Butler may subcontract these services to our franchisees, although it is not obligated to do so We may, in the future, designate Trash Butler as a National Account Trash Butler may provide doorstep valet trash pickup services to apartment complexes and multi-unit housing communities within your Designated Territory and the territories of other franchisees We do not consider Trash Butler® businesses to be competitive with College Hunks Hauling Junk® and/or College Hunks Moving® businesses, since Trash Butler provides limited valet

trash pick up services and does not provide junk removal or moving services Trash Butler does not currently offer franchises and has no present plans to do so

Service Vehicle Roll-out Schedule

You must purchase or lease the service vehicles (i e , junk removal trucks and/or moving trucks) required by us to be used in the operation of the Franchised Business We anticipate that each franchisee will add Service Vehicles to better service the Franchised Business and its clients However, you must adhere to the following vehicle roll-out schedule and may not add additional service vehicles, or dispose of existing service vehicles, without our prior consent, which we will not unreasonably withhold

(1) You must commence operations of the Franchised Business with one service vehicle for each service provided (i e , junk removal and/or moving) For example, if you purchase the College Hunks Hauling Junk® brand only, then you must start operating with one junk truck If you purchase the College Hunks Hauling Junk® and the College Hunks Moving® brands, then you must commence operations with one junk truck and one moving truck

(2) You must add a second service vehicle for each service provided (i e , junk removal and/or moving) when the Franchised Business achieves Gross Sales of $15,000 or more for such service (i e , junk removal or moving) in any given month You must then add an additional service vehicle whenever the average Gross Sales per service vehicle equals $15,000 or more in any given month, for such service

(3) Notwithstanding the above, if you own 3 or more Zones, you must have at least one service vehicle in operation for each service provided (i e , junk removal and/or moving) per Zone no later than the commencement of your third year of operations, regardless of the level of Gross Sales If you fail to do so, then you will automatically forfeit your rights to any Zone(s) for which you do not have a junk truck and/or moving truck, as applicable, in operation

(4) You may add additional service vehicles to better serve your clients, with our advance written consent, which we will not unreasonably withhold You must provide any information that we request to assist us in making our determination

(5) You may be required to add additional service vehicles as a condition of purchasing additional Zone(s) during the term of your Franchise Agreement, as determined by us We may also require you to add additional service vehicles as a condition to the grant of a renewal Franchise Agreement upon expiration of your existing Franchise Agreement

We anticipate that you will add trucks at the rate of at least one truck per brand each year If you purchase two Zones of the College Hunks Hauling Junk® and College Hunks Moving® brands, then each year you would add one junk truck and one moving truck We reserve the right to alter these basic requirements for particular franchisees based on their particular circumstances Your failure to meet these service vehicle roll-out requirements constitutes a material default under the Franchise Agreement New roll-out requirements will be set when you renew your Franchise Agreement Similarly, new roll-out requirements will be set when adding Zone(s) mid-term

National and Regional Accounts

We may develop a National or Regional Accounts program ("**National Accounts Program**") for the benefit of all Franchised Businesses A "National or Regional Account" means any client that has employees or offices in two or more locations and in more than one Zone, or which qualifies for corporate pricing for commercial services The locations of some of the National or Regional Accounts may be in your Zone and they may have locations in other Zones located in another franchisee's designated territory Under the National Accounts Program, we and our affiliates may solicit customers located in your Zone, whether or not you currently provide services to them, in order to develop them as National or Regional Accounts If the National or Regional Account contracts directly with us, then you will serve as subcontractor You must use your best efforts to perform services for National or Regional Accounts located in your Designated Territory on the terms and conditions specified by us for those National or Regional Accounts These terms may vary from National or Regional Account to National or Regional Account, depending on the situations and circumstances

If we develop a National Account Program, you must participate in it if it is possible to do so in your Designated Territory However, some National or Regional Accounts, for whatever reason, may decide that they do not want to do business with you If that happens, we will cooperate with you to the fullest extent we deem practicable to resolve the National or Regional Account's concerns However, if after we exercise what we believe to be reasonable efforts to rectify the problem, the National or Regional Account continues to refuse to do business with you, then we, or our affiliate or any other franchisee designated by us may provide services for that National or Regional Account in your Designated Territory In addition, we or our affiliate or any other franchisee designated by us, may perform services for any National or Regional Account located in your Designated Territory for whom you have declined to provide services for any reason Neither we, nor our affiliates or any of our franchisees, will be liable or obligated to pay you any compensation for doing so and neither we, nor our affiliates or any of our franchisees, will be considered in breach of any provision of your franchise agreement or any other agreement between the parties You must release us and such other franchisees from any liability or obligation to you for providing services to such National or Regional Accounts We will indemnify, defend and hold you harmless from and against any claims brought by a National or Regional Account arising out of our performance of services for the National or Regional Account in your Designated Territory

For purposes of coordinating efforts and results of National or Regional Accounts, you must timely provide us with copies of all reports, forms and notices relating to performing services for National or Regional Accounts that we may specify from time to time You must also coordinate with us any solicitations you conduct that may have potential for development as National or Regional Accounts A National or Regional Account may require you to conform to certain billing terms, practices and formats Various National or Regional Accounts may require billing and collection procedures that differ from those specified in your Franchise Agreement You must comply with any of the billing and collection procedures specified in our various National or Regional Account agreements We may require that all contracts, invoices, and billings for products and services be submitted to the National or Regional Account or any other centralized billing service which we or the applicable National or Regional Account designate If you receive any payments from any National or Regional Account which requires centralized billing, you must immediately remit such payments directly to the centralized billing service, the National or Regional Account, or any third party designated by us, without any deduction, and must also endorse any checks payable to the entity which we designate When centralized billing is required by a National or Regional Account, we will deduct the amount of continuing royalty payment and any other fees due us and remit the remaining balance to you on a semi-monthly basis Although we will utilize commercially reasonable efforts to collect amounts due from customers, you are responsible to assist in the collection efforts We do not warrant or guarantee collection of amounts due

If you participate in the National Accounts Program, you must not charge greater fees for services and products which we specify as the maximum for such National or Regional Account We may establish discounts, commissions, price structures (including maximum charges for products and services), and performance and maintenance standards for National or Regional Accounts We will not compensate you for soliciting or accepting orders from inside your Designated Territory

Due to the need to ensure adherence to the System standards in performing services for National or Regional Accounts, you will not be eligible to participate in the National Accounts Program unless you are in full compliance with your Franchise Agreement and the Operations Manual

Leased Zip Codes

You and we may agree that you be permitted to service clients in zip code(s) (the "**Leased Zip Codes**") outside of the Designated Territory, provided such clients are not located in another franchisee's designated territory You must pay a monthly leasing fee of $50 for Leased Zip Codes (the "**Temp Zone Leasing Fee**") We may terminate your right to service clients in the Leased Zip Codes upon 30-days written notice for any reason You may stop providing services in the Leased Zip Codes upon 30-days written notice for any reason Your services in the Leased Zip Codes must be fully consistent with your Franchise Agreement and your operations in your Designated Territory (including the scope of services offered, pricing and estimating tools and criteria) For all your operations in the Leased Zip Codes, if we determine that it is necessary to protect our brands standards and relationships with neighboring franchisees, we may require that you adhere to certain pricing levels for your service offerings

BuyBack Option

We have the right, at any time after the 60th month of your operation of the Franchised Business, to buy back your Franchised Business (all Zones) for a purchase price that is 5 times normalized EBITDA (earnings before income, taxes, depreciation and amortization) The buyback provision does not apply if your Franchise Agreement is terminated (due to your failure to complete initial training or other default) or if we choose to not renew your Franchise Agreement because you were not in compliance at the time of renewal

ITEM 13
TRADEMARKS

We grant to you the right to use certain trademarks, service marks and other commercial symbols in connection with the operation of your franchise The principal trademarks we use are "College Hunks Hauling Junk®," "College Hunks Moving®," and "The Junk Hunk®" (our company mascot)

The Proprietary Marks are owned by our Parent and are licensed to us by virtue of a perpetual license agreement that was entered into in 2006 This non-cancellable license agreement contains no limitations on our use of the Proprietary Marks Our Parent reserves the right to use the 1-800-Junk-USA toll free number, website and proprietary mark in businesses that operate anywhere, including within your Designated Territory

Trademark Registration

The status of the registration of the Proprietary Marks with the United States Patent and Trademark Office ("**USPTO**") are as follows

Mark	Registration Date	Registration Number	Register
College Hunks Hauling Junk®	12/5/2006	3,179,220	Principal
College Hunks Hauling Junk® and design	2/20/2007	3,210,015	Principal
The Junk Hunk (service mark)	2/12/2008	3,382,970	Principal
College Hunks Moving	7/12/2011	3,993,081	Principal
Hunk Squad	9/25/2012	4,214,580	Principal
1-800-Junk-USA	11/29/2011	4,063,075	Principal

In addition, we have applied to register the following trademarks on the Principal Register of the USPTO

Mark	Application Number	Application Date	Register
College Hunks	86699191	07/21/2015	Principal
Snap Storage	86745746	09/02/2015	Principal
Move The World	86791617	10/19/2015	Principal

We do not have a federal registration for the above 3 trademarks Therefore, these trademarks do not have many legal benefits and rights as a federally registered trademark If our right to use these trademarks is challenged, you may have to change to alternative trademarks, which may increase your expenses

Our Parent intends to file all affidavits and to renew its registrations for the Marks when they become due

There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of this state or any court, nor is there any pending interference, opposition, or cancellation proceeding, nor any pending material litigation involving the Proprietary Marks which may be relevant to their ownership, licensing or use

There are no agreements currently in effect which limit our right to use or to license others to use the Proprietary Marks, except for the trademark license agreement with our parent as described above

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

Proprietary Marks, you must sign any and all documents and do any acts as may, in our opinion, be necessary to carry out the defense or prosecution, including becoming a nominal party to any legal action Except if this litigation is the result of your use of the Proprietary Marks in a manner inconsistent with the terms of your Agreement, we will reimburse you for your out-of-pocket costs in doing these acts

There are no infringing uses actually known to us that could materially affect your use of the Proprietary Marks in this state or elsewhere

You must conspicuously post a sign and include on all written materials, including advertisements, stationery, business cards, etc and on your vehicles the following "Independently owned and operated "

We reserve the right to modify the Proprietary Marks or substitute different proprietary marks for use in identifying the System and the businesses operating under it, at our sole discretion If we designate any modified or substituted proprietary mark, you must implement the modified or substituted proprietary mark at your own expense

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights

There are no patents that are material to the franchise You do not receive the right to use an item covered by a copyright, but you can use the proprietary and confidential information that is in our Operations Manual The Operations Manual is described in Item 11 and below Although we have not filed an application for a copyright registration for the Operations Manual, we claim a copyright and the information in it is proprietary and confidential

You must also promptly tell us when you learn about unauthorized use of any patents, proprietary and confidential information We are not obligated to take any action, but will respond to this information as we think appropriate We have the sole right to direct and control any administrative proceeding or litigation involving any patents, the proprietary and confidential information We have the right, but not the obligation, to take action against uses by others that may constitute infringement of any patents, the proprietary and confidential information We may defend you against any third party claim, suit or demand arising out of your use of any patents, the proprietary and confidential information If we, in our sole discretion, determine that you have used any patents, the proprietary and confidential information in accordance with your Agreement, the cost of the defense, including the cost of any judgment or settlement, will be borne by us If we determine that you have not used any patents, the proprietary and confidential information in accordance with your Agreement, the cost of the defense, including the cost of any judgment or settlement, will be yours In the event of any litigation relating to your use of any patents, the proprietary and confidential information, you must sign any and all documents and do any acts as may, in our opinion, be necessary to carry out the defense or prosecution, including becoming a nominal party to any legal action Except if this litigation is the result of your use of any patents, the proprietary and confidential information in a manner inconsistent with the terms of your Agreement, we will reimburse you for your out-of-pocket costs in doing these acts

There are no infringing uses actually known to us that could materially affect your use of the any patents, the proprietary and confidential information in this state or elsewhere

Operations Manual

You must operate your Franchised Business according to the strict standards, methods, policies and procedures specified in the Operations Manual One copy of the Operations Manual is loaned to you by us for the term of the Franchise Agreement after you complete our initial training program to our satisfaction We may make the Operations Manual available electronically

You must treat the Operations Manual, any other of our manuals which are used in the operation of your Franchised Business, and the information in them as confidential, and must use all reasonable efforts to maintain this information as secret and confidential You must not copy, duplicate, record, or otherwise reproduce these materials, in whole or in part, or otherwise give them to any unauthorized person The Operations Manual will remain our sole property and must be kept in a secure place at the Franchised Business

We may revise the contents of the Operations Manual, and you must comply with each new or changed standard You must make sure that the Operations Manual is kept current at all times In the event of any dispute as to the contents of the Operations Manual, the terms of the master copy maintained by us at our corporate office will be controlling

Confidential Information

You must not, during the term of the Franchise Agreement or after the term of the Franchise Agreement, communicate, divulge or use for the benefit of any other person, partnership, association, or corporation any confidential information, knowledge or know-how concerning the methods of operation of the Franchised Business which may be communicated to you or which you may learn because of your operation under the terms of the Franchise Agreement Confidential information includes (a) price lists and marketing plans and strategies, (b) proprietary computer software functions, capabilities, code, manuals, fixes, work arounds, revision plans, etc, and any proprietary equipment or products that we may develop , (c) client lists, client identities, client contacts and client preferences (including identities and plans for approaching potential clients), and (d) leasing plans, rates and information You may divulge this confidential information only to those of your employees who have access to and who operate your Franchised Business Any and all information, knowledge, know-how, techniques and other data which we designate as confidential will be deemed confidential for purposes of the Franchise Agreement

At our request, you must have your manager and any personnel having access to any of our confidential information sign agreements that say that they will maintain the confidentiality of information they receive in connection with their employment by you at your Franchised Business The agreements must be in a form satisfactory to us, including specific identification of us as a third party beneficiary of the covenants with the independent right to enforce them and that they prohibit any direct or indirect ownership in a competing business

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

During the entire term of the Franchise Agreement, one of your owners must be designated as your "Managing Owner," responsible personally for devoting his or her full time and best efforts to the supervision and operation of the Franchised Business and to whom we may give, and from whom we may receive, direction You must identify your Managing Owner before you sign the Franchise Agreement The Managing Owner must complete our initial training program (see Item 11) and maintain at least a 51% ownership interest in the Franchised Business If the Managing Owner transfers his or her

ownership interest in you (with our approval and subject to the transfer provisions of the Franchise Agreement) during the franchise term, you must designate a new Managing Owner (whom we must approve) and have that new Managing Owner attend and satisfactorily complete our initial training program within the timeframe we specify Your Franchised Business must at all times be under the direct supervision of your Managing Owner or an approved manager who has successfully completed training The Managing Owner and/or the manager must devote sufficient time and attention to perform their duties, including a minimum of 30 hours per week of their physical presence to oversee and actively supervise the operation of the Franchised Business during operating hours

We recommend, but do not require, that you (or your Managing Owner) actively and directly supervise the day-to-day operations of the Franchised Business If your approved manager will be responsible for supervising the day-to-day operations of the Franchised Business, we may, in our sole discretion, require him or her to have at least a 10% ownership interest in the Franchised Business If the approved manager is terminated, leaves your employ or otherwise fails to devote his or her full time and best efforts to the management and operation of the Franchised Business, you must, within 30 days, hire a new manager (approved by us) who must successfully complete the initial training program within the timeframe we specify You, your owners and your managers may not engage in any other business activities that would compete with the Franchised Business, adversely affect the Franchised Business, or conflict with your or their obligations under the Franchise Agreement

Your employees are under your day-to-day control in implementing and maintaining our system standards and specifications in the operation of the Franchised Business We do not control the forms of employment agreements you use with your employees and are not responsible for your labor relations or employment practices You have sole responsibility and authority for your labor relations and employment practices, including, among other things, employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, and working conditions You must communicate clearly with your employees in any employment agreements, human resource manuals, written and electronic correspondence, paychecks, and other materials that you (and only you) are their employer and that we, as the franchisor of College Hunks Hauling Junk® and College Hunks Moving® businesses, are not their employer and do not engage in any employer-type activities (including those described above) for which only you are responsible

We may require your manager and other key employees to agree in writing to preserve any confidential information to which they have access and not to compete with the College Hunks Hauling Junk® and College Hunks Moving® system while employed by you and for 2 years after their employment ends A form of Employee Non-Competition and Non-Disclosure Agreement is attached as Exhibit "B" to the Franchise Agreement We also have the right to require you to obtain covenants against the use and disclosure of any confidential information and covenants not to compete from your owners

Each of your owners holding more than 10% of the legal or beneficial ownership interests in the business and/or who are active in the business must personally guarantee your obligations to us under the Franchise Agreement and related agreements These guarantees will be substantially in the form of the Principal Owner's Guaranty attached as Exhibit "D" to the Franchise Agreement You must also complete and deliver to us a Principal Owner's Statement, in the form attached as Exhibit "I" to the Franchise Agreement, which describes all of your owners and their interests in you

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must use the Franchised Business solely for the operation of the Franchised Business You must keep your Franchised Business open and in normal operation for the minimum hours and days as we specify You must not use or permit the use of the Franchised Business for any other purpose or activity at any time without first obtaining our written consent You must operate the Franchised Business in strict conformity with the methods, standards and specifications we may require in the Operations Manual or in writing You must not change the standards, specifications and procedures without our prior written consent

You must perform those jobs given to you by the First Contact Sales & Loyalty Center, you must offer only products and services that we authorize, you must offer all goods and services that we designate as required for College Hunks Hauling Junk® and/or College Hunks Moving® businesses, you may not change our standards and specifications without our prior written consent, and you must stop selling and offering for sale any products and services which we may, in our discretion, disapprove in writing at any time We have the right to change the types of authorized products and services, and there are no limits on our right to make changes If we introduce a new product or service for the System and if you fail to incorporate the new product or service into your Franchised Business, we may sell these products and services in your Designated Territory and you will not earn a portion of these sales, or we may terminate your Franchise Agreement If you receive a request for services that is not generated through the First Contact Sales & Loyalty Center, you may not perform the requested services until you provide all applicable information to the First Contact Sales & Loyalty Center

We may add additional products and services to the System, such as roll-off containers We may designate that these additional products and services are optional for our franchisees, or we may designate them as mandatory

In addition, you must only use the proprietary software, the supplies and suppliers that we have approved for use at your Franchised Business

The System may periodically be supplemented, improved or modified by us You must comply with all of our reasonable requirements concerning modifications to the System, including offering and selling new or different products or services as specified by us

You may not sell any competing goods or services, and you may not offer conflicting services, such as free pick-ups, or other products or services that we currently offer or may offer in the future, such as re-usable moving boxes, moving or storage containers, or storage services

We anticipate expanding the products and services to be offered by Franchised Businesses over a period of years, which may include any product or service associated with the preparation of a commercial or residential move and the transportation of tangible items to one or multiple locations, and/or waste management services

You may not directly solicit or service clients located outside of your Designated Territory

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Article in Franchise or Other Agreement	Summary
(a) Length of the franchise term	Section 4 1	10 years
(b) Renewal or extension of the term	Section 4 2	Additional 10-year term To "renew," you must sign our then-current form of Franchise Agreement and satisfy other renewal conditions The fees and other conditions for any later granting of subsequent renewals will be governed by the form of renewal franchise agreement that you sign
(c) Requirements for franchisee to renew or extend	Section 4 3	Provide not less than 180 days but no more than 240 days' notice, compliance and not in default with Franchise Agreement and any other agreements with us, our affiliates, subsidiaries or designees, satisfy current System standards and training requirements, satisfy all of our requests for disclosure of or access to information, on monetary obligations satisfied to us, our affiliates, subsidiaries and designees on a timely and responsible manner, sign release, and pay renewal fee You may be asked to sign a franchise agreement with materially different terms and conditions than your original franchise agreement, but the fees on renewal will not be greater than the fees that we then impose on similarly situated renewing franchisees
(d) Termination by franchisee	Not Applicable	You may seek to terminate your Franchise Agreement on any ground permitted by law
(e) Termination by franchisor without cause	Not Applicable	If you choose not to renew
(f) Termination by franchisor with cause	Article XVII	Breach of Franchise Agreement and other grounds, including refusal of

Provision	Article in Franchise or Other Agreement	Summary
		buy-out, see Article XVII for details
(g) "Cause" defined - curable defaults	Sections 5 6, 9 13, and 17 3	Breach of Franchise Agreement or operating manuals, failure to pay monies when due us, failure to obtain required written approvals or consents, misuse of Proprietary Marks, know how, copyrights or software, impairment of our goodwill, competitive activities, violation of or failure to comply with an state or federal law or ordinance, refusal of acceptance of our buy-out of your business, unauthorized transfer, failure to timely commence operations of your business, failure to perform services for clients, sale of an unapproved service, unsatisfactory performance, unexcused absence from franchisee convention, monetary defaults
(h) "Cause" defined - non-curable defaults	Section 17 2 / Section 5 5	Abandonment, conviction of a felony or other criminal offense, material misrepresentation, any action that reflects materially and unfavorably on the reputation of the Franchised Business, us or the System, filing for bankruptcy or assignment for the benefit of creditors, receivership, insolvency, foreclosure, if your business is dissolved, repeated defaults, failure to satisfactorily complete training Franchisor may terminate this Agreement immediately upon notice (a) at any time that Franchisee has more than 3 open customer complaints that have not been resolved within 10 days, and/or (b) if Franchisee has multiple negative online reviews, including, but not limited to, Angie's List, Yelp, BBB, Listen 360, Google Reviews that have not been resolved to our satisfaction
(i) Franchisee's obligations on termination/non-renewal	Article XVIII	Obligations include discontinue using confidential information and materials, return Operations Manual,

Provision	Article in Franchise or Other Agreement	Summary
		payment of amounts due
(j) Assignment of contract by franchisor	Section 16 1	No restriction on right to transfer
(k) "Transfer" by franchisee - defined	Section 16 2	Transfer encompasses any actual or purported assignment, sale, transfer or other arrangement having the purpose or effect of shifting ownership or control interests in the Franchised Business
(l) Franchisor approval of transfer by franchisee	Section 16 2	We have the right to approve transfers in writing
(m) Conditions for franchisor approval of transfer	Section 16 2 1	Includes payment of money owed, non-default, sign release, transferee qualifies including satisfactorily completing training, transferee signs new agreement and payment of the transfer fee
(n) Franchisor's right of first refusal to acquire franchisee's business	Article 16 4	We can match any offer
(o) Franchisor's option to purchase franchisee's business	Section 18 8	Upon expiration or termination, we can buy your Franchised Business We can also purchase your Franchised Business at any time after your 60th month of operation of the Franchised Business
(p) Death or disability of franchisee	Section 16 2 2	Franchise must be assigned to approved buyer within 90 days
(q) Non-competition covenants during the term of the franchise	Section 15 1	Includes prohibition on owning or operating business which sells similar services
(r) Non-competition covenants after the franchise is terminated or expires	Section 15 2	Includes prohibition on owning or operating business which sells similar services for two years and located within 50 miles of any unit in the System, and no disparaging or derogatory comments about the Franchisor or its affiliates for two years from the expiration, termination or transfer of the Franchise Agreement The non-competition covenant is not applicable to a conversion franchise

Provision	Article in Franchise or Other Agreement	Summary
(s) Modification of the agreement	Sections 21 1, and 21 12	Must be in writing by both parties
(t) Integration/merger clause	Section 21 14	Only the terms of the Franchise Agreement are binding (subject to federal law) Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable Provided, however, nothing in the Franchise Agreement or any related agreement is intended to disclaim any representations we make in this Disclosure Document
(u) Dispute resolution by arbitration or mediation	Section 21 6	Except for certain claims, all disputes must be mediated and arbitrated within 20 miles of our headquarters
(v) Choice of forum	Section 21 8	Florida, subject to state law
(w) Choice of law	Section 21 7	Florida, subject to state law

ITEM 18
PUBLIC FIGURES

We do not use any public figure to promote our franchise

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the Disclosure Document Financial performance information that differs from that included in Item 19 may be given only if (1) a franchisor provides the actual records of an existing outlet you are considering buying, or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances

HISTORICAL FINANCIAL PERFORMANCE INFORMATION

The following charts provide information regarding the annual gross sales, gross profit, profit margin, EBITDA, and certain expense and annual performance metrics for franchised outlets and outlets owned by our affiliates These businesses (both franchised and affiliate-owned) provide substantially the same products and services as the Franchised Business offered in this Disclosure Document Likewise, they receive substantially the same services as those we provide for the Franchised Business offered in this Disclosure Document, except our affiliates receive centralized accounting, financial and management services

The charts below present information for only those outlets that responded to a survey and were in operation for at least 12 full months as of the end of the applicable reporting period This includes 40 franchised and 2 affiliate-owned outlets in 2016 (representing 49% (42/ 86) of all outlets in existence at the end of 2016) Note that 28 of these 86 locations were not surveyed because they were open less than 12 months in 2016 Therefore, the information includes 72% (42/58) of all outlets that were open a full 12 months in 2016

Our affiliate CHHJ, LLC owns and operates the College Hunks Moving® and College Hunks Hauling Junk® business located in Rockville, Maryland ("**DC Corporate Location**"), which has been inoperation since 2005 and currently provides junk removal and moving services in Washington, DC, and Maryland (a total of 5 Zones) Our affiliate Mansari LLC owns (as a minority owner) and operates the College Hunks Moving® and College Hunks Hauling Junk® business located in Tampa, Florida ("**Tampa Corporate Location**"), which has been in operation since 2008 and provides junk removal and moving services in Tampa, Florida (a total of 1 Zone in 2016, but will be operating in 2 Zones in 2017 because one Zone will be added in 2017) These locations operate under a franchise agreement with us and pay royalties, First Contact Sales & Loyalty Center fees, and Brand Development Fees on the same basis as our franchisees These operations are both "absentee owner" businesses, meaning they both have full-time general managers operating the business

Unless otherwise specified, "Gross Sales" or "Gross Revenue" means the actual gross revenues billed to clients or what would have been billed to clients if payment had been collected for products and services, plus any other revenue derived from the operation of the business The Gross Sales/Gross Revenue information is based on the same Gross Sales used to calculate royalties and other fees under the Franchise Agreement The franchised outlets and affiliate-owned outlets report gross receipts information to us based upon a uniform reporting system However, none of the information supplied to us has been audited

Your individual results may differ There is no assurance that you'll earn as much

ANNUAL GROSS SALES, GROSS PROFIT AND PROFIT MARGIN FOR AFFILIATE LOCATIONS FOR 2014, 2015 AND 2016

	DC Corporate Location[1] (Actual)			Tampa Corporate Location[2] (Actual)		
Year	2014	2015	2016	2014	2015	2016
Annual Gross Sales	$2 594 424	$2 634 464	$2 818 699	$1 013 006	$1 307 039	$1 175 791
Disposal Costs (% of Revenue)	5%	5%	4%	2%	1%	2%
Truck Labor Costs (% of Revenue)	30%	28%	26%	26%	28%	28%
Truck Fuel Costs (% of Revenue)	4%	3%	3%	4%	3%	2%
Truck Maintenance Costs (% of Revenue)	1%	1%	3%	3%	2%	2%
Credit Card Fees (% of Revenue)	1 54%	2 00%	1 57%	1 38%	1 68%	1 74%
Moving Supply Cost (% of Revenue)	0 27%	1%	1%	1%	1%	1%
Total Cost of Service	$1 426 933	$1 326 551	$1 345 748	$510 251	$646,630	$590 759
Total Gross Profit	$1,167 491	$1 307 913	$1 472 951	$502 755	$660 409	$585 032
Gross Profit as % of Revenue (Gross Revenue less disposal costs truck labor costs truck fuel costs truck maintenance costs credit card fees moving supply cost royalty fees First Contact Sales & Loyalty Center fees and Brand Development Fees) (does not include fixed costs such as rent marketing insurance office staff or other expense)	45%	50%	52%	50%	51%	50%

NOTES

(1) The DC Corporate Location provides both junk removal and moving services It currently operates 5 Zones in Washington DC and Maryland It previously operated 9 Zones (total), which included Virginia, but it sold the Virginia portion of the territory in June 2014

(2) The Tampa Corporate Location provides both junk removal and moving services It operated a total of 1 Zone in the Tampa, Florida area in 2016 It will be operating 2 Zones in Tampa as of February 2017

AVERAGE ANNUAL GROSS SALES, GROSS PROFIT AND PROFIT MARGIN FOR FRANCHISED LOCATIONS 2014, 2015 AND 2016

Year	2014	2015	2016	2016 Top 25% Franchisees

# in Group	39(3)	28	40	10
Average Annual Gross Sales	$481,615 (7)	$730,553	$784,331	$1,631,945
Median Annual Gross Sales	Not Reported	$572,127	$546,322	$1,419,923
Average Royalty Costs (% of Revenue)	7%	7%	7%	7%
Average Disposal Costs (% of Revenue)	4%	4%	4%	3%
Average Truck Labor Costs (% of Revenue)	26%	25%	27%	27%
Average Truck Fuel Costs (% of Revenue)	5%	4%	3%	3%
Average Truck Maintenance Costs (% of Revenue)	3%	3%	2%	2%
Average Credit Card Fees (% of Revenue)	1 3%	1 6%	1 6%	1 7%
Moving Supply Cost (% of Revenue)	1 4%	1 3%	1 4%	1 8%
Average Total Cost of Service	$260,072	$373,547	$413,520	$846,612
Average Total Gross Profit	$221,543(11)	$357,006	$370,811	$785,333
Median Total Gross Profit	Not Reported	$267,003	$258,467	$706,768
*Average Gross Profit as % of Revenue	46% (15)	49%	47%	48%
*Median Gross Profit Percentage	Not Reported	47%	47%	49%

NOTES

These figures show the number and percentage of outlets that achieved or surpassed the stated average results in that category

The following table shows the number and percentage of outlets that fell below the stated average results in that category

*Gross Revenue less disposal costs, truck labor costs, truck fuel costs, truck maintenance costs, credit card fees, moving supply cost, royalty fees, First Contact Sales & Loyalty Center fees, and Brand Development fees (does not include fixed costs, such as rent, marketing, insurance, office staff or other expense)

AVERAGE ANNUAL GROSS SALES, GROSS PROFIT AND PROFIT MARGIN FOR FRANCHISED LOCATIONS 2014, 2015 AND 2016

Year	**2014**	**2015**	**2016**	**2016 Bottom 25% Franchisees**
# in Group	39(3)	28	40	10
Average Annual Gross Sales	$481,615 (7)	$730,553	$784,331	$291,760

Median Annual Gross Sales	$_____	$572,127	$546,322	$282,742
Average Royalty Costs (% of Rev)	7%	7%	7%	7%
Average Disposal Costs (% of Rev)	4%	4%	4%	5%
Average Truck Labor Costs (% of Rev)	26%	25%	27%	28%
Average Truck Fuel Costs (% of Rev)	5%	4%	3%	4%
Average Truck Maintenance Costs (% of Rev)	3%	3%	2%	2%
Average Credit Card Fees (% of Rev)	1 3%	1 6%	1 6%	1 2%
Moving Supply Cost (% of Rev)	1 4%	1 3%	1 4%	0 5%
Average Total Cost of Service	$260,072	$373,547	$413,520	$166,303
Average Total Gross Profit	$221,543(11)	$357,006	$370,811	$125,457
Median Total Gross Profit	$_____	$267,003	$258,467	$116,806
*Average Gross Profit as % of Rev	46% (15)	49%	47%	43%
*Median Gross Profit Percentage	Not Reported	47%	47%	41%

2016 ACTUAL GROSS REVENUE, GROSS PROFIT, UNIT FIXED EXPENSES AND EBITDA FOR AFFILIATE LOCATIONS

	2016 DC Corporate Location (Actual)	**2016 Tampa Corporate Location (Actual)**
Gross Revenue	$2,818,699	$1,175,791
Total Gross Profit	$1,472,951	$585,032
Gross Profit as % of Revenue	52%	50%
Marketing Expense (local advertising)	$251,806	$121,508
Office Staff Costs	$231,082	$139,300
Rent and Utilities Expense	$81,259	$31,208
Other Expenses (insurance, etc)	$558,464	$296,281
Total General & Administrative Expenses (marketing expense, office staff costs, rent & utilities expense, and other expenses including insurance, etc)	$1,122,611	$588,297
EBITDA (earnings before interest, taxes, depreciation and amortization) (does not include truck payments, owner compensation or other discretionary expenses)	$478,347	$96,119
Net Profit as % of Revenue (before taxes, interest, depreciation and amortization, and owners' compensation)	17%	8%

2016 AVERAGE GROSS REVENUE, GROSS PROFIT, UNIT FIXED EXPENSES AND EBITDA FOR FRANCHISED LOCATIONS

	2016 Franchises (Average)	2016 Top 25% Franchisees (Average)
Gross Revenue	$784,331	$1,631,945
Total Gross Profit	$370,811	$785,333
Gross Profit as % of Revenue	47%	48%
Marketing Expense (local advertising)	$53,943	$111,482
Office Staff Costs	$51,920	$120,004
Rent and Utilities Expense	$28,712	$49,888
Other Expenses (insurance, etc)	$49,030	$98,662
Total General & Administrative Expenses (marketing expense, office staff costs, rent & utilities expense, and other expenses including insurance, etc)	$183,605	$380,036
EBITDA (earnings before interest, taxes, depreciation and amortization) (does not include truck payments, owner compensation or other discretionary expenses)	$187,206	$405,297
Net Profit as % of Revenue (before taxes, interest, depreciation and amortization, and owners' compensation)	24%	25%

NOTES

(1) Information presented based on 40 franchised outlets in operation for a full 12 months as of December 31, 2016

2016 AVERAGE ANNUAL PERFORMANCE METRICS FOR JUNK ONLY VS. JUNK & MOVING FRANCHISES

	All Franchised Locations (Average)	Junk Removal Only (Average)	Junk Removal and Moving (Average)	DC Corporate Location (Actual)	Tampa Corporate Location (Actual)
# in Group	40	8	32	1	1
Annual Gross Revenues	$784,331	$471,415	$862,560	$2,818,699	$1,175,791
Annual Junk Revenues	$388,740	$447,911	$373,947	$1,930,608	$260,499
Annual Moving Revenues	$439,612	$0	$439,612	$826,105	$881,782
Annual Other Revenue (labor scrap supplies, valuation)	$36,997	$22,451	$40,634	$61,986	$33,510
Average Job Size	$432	$351	$452	$490	$528
Average Job Size – Junk Removal	$338	$352	$335	$432	$315
Average Job Size – Moving	$538	$0	$673	$788	$716
Average Number of Completed Jobs per day (assumes 300 operating days in 2015)(calculated by dividing Gross Revenue by Average Job Size divided by 300)	6.1	4.5	6.4	19.2	7.4
Average Number of Unique Leads received per day (assumes 300 operating days in 2015)	20	17	21	63	24
Lead Conversion to Sale %	30%	26%	31%	30%	31%
Average Completion %	69%	65%	70%	70%	68%
Average Cost per Lead based on Average Marketing Expense	$9.01	$4.89	$9.88	$13.33	$16.91
Average Marketing Expense	$53,942.87	$25,593.33	$61,030.25	$251,806.00	$121,508.00
Average Leads	5988	5238	6175	18885	7187

NOTES

(1) The information presented is based on 40 franchised outlets that were in operation for a full 12 months as of December 31, 2016 As of the date of this disclosure document, there are no franchised outlets that provided only moving services

AVERAGE ANNUAL GROSS SALES BASED ON NUMBER OF YEARS IN OPERATION AS OF DECEMBER 31, 2016

	1st Full Calendar Year	2nd Full Calendar Year	3rd Full Calendar Year	4th Full Calendar Year	>4th Full Calendar Year
# in Group	70	40	40	60	190
Average Annual Gross Sales	$405,455 33	$604,617 00	$443,339 18	$834,369 24	$1,017,738 09

PROJECTED FINANCIAL PERFORMANCE INFORMATION

The information in the following two charts is a forecast of a prospective franchisee's future potential performance These figures are only estimate of what we think you may earn Your individual results may differ There is no assurance that you'll earn as much

2016 RAMP UP DATA FOR NEW LOCATIONS

The following table represents the monthly income of new locations and the average revenue from the First month through the 20th month split in 4 periods, the data is based on 43 location

Location	1st Month	6th Month	12th	20th
Average	**$ 12,939**	**$ 23,158**	**$ 33,105**	**$ 54,366**
Median	$ 11,712	$ 21,760	$ 30,223	$ 54,366

TRUCKONOMICS - JUNK REMOVAL

The following table represents the monthly income and costs per truck for a Franchised Business that has one junk removal truck, assuming the truck performs 4 jobs per day (operating 8 hours per day), for 6 days each week

Monthly Sales per Truck - Junk		
Jobs Per Day	4	Assuming truck performs 4 jobs per day
Average Revenue Per Job	$356	Not including recycling income
Work Days Per Month	26	6 days per week (Mon-Sat)
Monthly Gross Sales	$37,024	
Monthly Cost per Truck-Payroll Related (6 days per week operating 10 hours per day)*		
Driver Lead	$3,380	$13 00 per hour at 3,120 hours per year (6*10*52) (assumes bonus incl)
Wingman	$3,120	$12 00 per hour at 3,120 hour per year (6*10*52)
FICA/FUTA/SUTA	$692	10 65% (7 65% + 3%) of personnel costs (driver + navigator)
Workers Comp	$975	15% of personnel costs (driver + navigator)
Monthly Costs- Fuel per Truck and Other Variable Costs		
Fuel & Other Variable Truck Costs	$1,851	5% of monthly Gross Junk Sales (Tracking, Fuel, Parking, Tolls)
Disposal/Transfer Fees	$2,592	7% of monthly Gross Junk Sales
Vehicle Insurance	$400	Per truck - decreases as additional trucks added
Truck Payment	$1,000	Assuming truck is financed/leased
Local Advertising	$2,962	8% of Sales
Truck Maintenance	$300	Oil changes, tires, tarp replacement, etc
Royalty	$2,592	7% of monthly Gross Sales
First Contact Sales & Loyalty Center Fund	$2,210	Assuming $945 ($799 Junk Only) flat fee plus call center bookings needed for 4 jobs day ($19 per booking)

National Brand Development Fund	$740	2% of monthly Gross Sales
Total Monthly Costs**	$22,815	
Plus Recycling Income	$740 48	Approximately 2% of monthly Gross Sales
Net Operating Profit Per Truck**	**$14,950**	

* Your payroll costs will vary based on the number of jobs performed and whether your employees work full or part-time Your employees will likely be part-time for the initial period of operations

** The above income and expense figures relate to income from junk removal truck operations, directly associated truck costs, along with royalties, brand development fees, and first contact sales & loyalty center fees A typical franchisee can expect to have additional overhead expenses, including, but not limited to, rent, liability insurance, and utilities

Material Assumptions

- System-wide Average job size $356 ($376 in 2015)
- Workers Comp Rate WC rates are set by the state and will vary based on your particular state of operation
- All other assumptions made from historical performance of the franchise system or from an as is fee structure
- The jobs per day metric assumes only one junk truck It also assumes the Franchise is operating out of a single Zone

WE STRONGLY URGE YOU TO CONSULT WITH YOUR FINANCIAL ADVISOR OR PERSONAL ACCOUNTANT CONCERNING THE FINANCIAL ANALYSIS THAT YOU SHOULD MAKE IN DETERMINING WHETHER OR NOT TO PURCHASE A COLLEGE HUNKS HAULING JUNK® AND/OR COLLEGE HUNKS MOVING® FRANCHISE

Written substantiation of the data used in preparing this financial performance representation will be made available to you upon reasonable request The information presented above has not been audited

Other than the preceding financial performance representation, we do not make any financial performance representations We also do not authorize our employees or representatives to make any such representations either orally or in writing If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Nick Friedman at 1513 East 9th Avenue, Tampa, Florida 33605 and (800) 586-5872, the Federal Trade Commission, and the appropriate state regulatory agencies

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No 1
Systemwide Outlet Summary
For Years Ending December 31, 2014, 2015 and 2016

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2014	46	45	-1
	2015	45	63	+18
	2016	63	82	+19
Company-Owned*	2014	2	3	+1
	2015	3	3	0
	2016	3	3	0
Total Outlets	2014	**48**	**48**	**0**
	2015	**48**	**66**	**+18**
	2016	**66**	**85**	**+19**

* The Company-Owned Outlets in the chart above include outlets that are owned and operated by our affiliates

Table No 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years Ending December 31, 2014, 2015 and 2016

State	Year	Number of Transfers
California	2014	0
	2015	1
	2016	0
Florida	2014	0
	2015	0
	2016	1
Ohio	2014	0
	2015	1
	2016	0
Oklahoma	2014	0
	2015	1
	2016	0
Virginia	2014	1
	2015	0
	2016	0
Total	**2014**	**1**
	2015	**4**
	2016	**1**

Table No 3
Status of Franchised Outlets
For Years Ending December 31, 2014, 2015 and 2016

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Alabama	2014	0	0	0	0	0	0	0
	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Arizona	2014	1	0	0	0	0	0	1
	2015	1	1	0	0	0	0	2
	2016	2	1	0	0	0	1	2
Arkansas	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
California	2014	4	0	0	0	0	0	4
	2015	4	0	0	0	0	0	4
	2016	4	1	0	1	0	0	4
Colorado	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	2	0	0	0	0	3
Connecticut	2014	0	0	0	0	0	0	0
	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Florida	2014	4	0	0	0	0	0	4
	2015	4	6	0	0	0	0	10
	2016	10	2	0	0	0	2	10
Georgia	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	2	0	0	0	0	3
Illinois	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	1	0	0	0	0	2
Indiana	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Kansas	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Kentucky	2014	2	0	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Maryland	2014	2	1	0	2	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	2	0	0	0	0	3
Massachusetts	2014	2	0	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	0	0	1	0	0	1
Michigan	2014	2	0	0	0	0	0	2
	2015	2	1	0	0	0	0	3
	2016	3	1	0	0	0	0	4
Minnesota	2014	0	1	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	1	0	0	0	0	2
Mississippi	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Missouri	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Nevada	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	1	0
New Jersey	2014	2	0	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	1	0	0	0	1	2
New York	2014	2	0	0	0	0	0	2
	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2
North Carolina	2014	2	0	0	0	0	0	2
	2015	2	1	0	0	0	0	3
	2016	3	0	0	0	0	0	3
Ohio	2014	4	0	0	0	0	0	4
	2015	4	0	0	0	0	0	4
	2016	4	0	0	0	0	1	3

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Oklahoma	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Oregon	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	1	0	0	0	0	0	1
Pennsylvania	2014	2	0	0	0	0	0	2
	2015	2	1	0	0	0	0	3
	2016	3	2	0	0	0	0	5
South Carolina	2014	0	0	0	0	0	0	0
	2015	0	1	0	0	0	0	1
	2016	1	1	0	0	0	0	2
Tennessee	2014	1	0	0	0	0	0	1
	2015	1	1	0	0	0	0	2
	2016	2	0	0	0	0	0	2
Texas	2014	4	0	0	0	1	0	3
	2015	3	3	0	0	0	0	6
	2016	6	4	0	0	0	1	9
Virginia	2014	3	0	0	0	0	0	3
	2015	3	0	0	0	0	0	3
	2016	3	3	0	0	0	0	6
Washington	2014	0	0	0	0	0	0	0
	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Wisconsin	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	2	0	0	0	0	0	2
Total	**2014**	**46**	**2**	**0**	**2**	**1**	**0**	**45**
	2015	**45**	**18**	**0**	**0**	**0**	**0**	**63**
	2016	**66**	**25**	**0**	**2**	**0**	**7**	**82**

Table No 4
Status of Company-Owned and Affiliate-Owned Outlets
For Years Ending December 31, 2014, 2015 and 2016*

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Florida	2014	1	0	0	0	0	1
	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
Maryland+	2014	1	0	0	0	0	1
	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
Texas	2014	0	0	1	0	0	1
	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
Total	**2014**	**2**	**0**	**1**	**0**	**0**	**3**
	2015	**3**	**0**	**0**	**0**	**0**	**3**
	2016	**3**	**0**	**0**	**0**	**0**	**3**

* The outlets in the above chart are owned and operated by our affiliates
+ Also operates in territories in Virginia and Washington, D C

Table No 5
Projected Openings as of December 31, 2016

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year (2017)	Projected New Company-Owned Outlets in the Next Fiscal Year (2017)
Arizona	1	1	0
California	0	0	0
Colorado	0	0	0
Connecticut	0	0	0
Delaware	0	0	0
Florida	0	1	0
Georgia	0	1	0
Illinois	1	1	0
Indiana	1	1	0
Louisiana	1	2	0
Maryland	0	0	0
Massachusetts	1	1	0
Michigan	0	0	0
Minnesota	0	1	0
Nevada	0	0	0

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year (2017)	Projected New Company-Owned Outlets in the Next Fiscal Year (2017)
New Jersey	1	1	0
New York	0	0	0
North Carolina	0	1	0
Ohio	0	0	0
Oregon	1	1	0
Pennsylvania	0	1	0
Rhode Island	0	0	0
South Carolina	1	1	0
Tennessee	1	1	0
Texas	0	0	0
Utah	1	0	0
Virginia	1	1	0
Washington	0	0	0
Wisconsin	1	1	0
Total	0	0	0
	0	0	0
	0	0	0
	0	0	0
	15	**33**	**0**

The table above represents projected franchisees for the System It does not take into account whether a franchisee purchases multiple Zones

A list of the names of all current franchisees and the addresses and telephone numbers of their businesses is provided in Exhibit "D" to this Disclosure Document

The name, city, state and current business telephone number (or if unknown, the last known home telephone number) of the 4 franchisees who had an outlet terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document are listed on Exhibit "E" to this Disclosure Document **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system**

In some instances, current and former franchisees sign provisions restricting their ability to speak opening about their experience with College Hunks Hauling Junk® and College Hunks Moving® You may wish to speak with current and former franchisees, but be aware that not all such franchises will be able to communicate with you During the last 3 fiscal years, one franchisee signed a re-acquisition agreement that included a confidentiality clause

There are no trademark-specific franchisee organizations created, sponsored or endorsed by us, and no independent franchisee organizations have asked to be included in this Disclosure Document

ITEM 21
FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit "G" are our audited financial statements for the fiscal years ended December 31, 2016, 2015, and 2014

ITEM 22
CONTRACTS

The following agreements are attached as exhibits to this Disclosure Document

State Specific Addenda (with Form of General Release for Maryland)	Exhibit B
Franchise Agreement ("**FA**") with Exhibits	Exhibit C
Location of Franchise and Zones Encompassing Designated Territory	*Exhibit A to FA*
Employee Non-Competition and Non-Disclosure Agreement	*Exhibit B to FA*
Conditional Assignment of Telephone Numbers and Listings and Internet Addresses	*Exhibit C to FA*
Principal Owner s Guaranty	*Exhibit D to FA*
Conditional Assignment of Service Vehicle Lease	*Exhibit E to FA*
Authorization Agreement for Prearranged Payments (Direct Debits)	*Exhibit F to FA*
Transfer of Franchise to Corporation or Limited Liability Company	*Exhibit G to FA*
Principal Owner s Statement	*Exhibit H to FA*
Royalty Memorandum	*Exhibit I to FA*
Franchisee Disclosure Acknowledgment Statement	Exhibit H
Deposit Agreement	Exhibit I

ITEM 23
RECEIPTS

Two copies of an acknowledgment of your receipt of this Disclosure Document appear at the end of the Disclosure Document Please return one signed copy to us and retain the other for your records

EXHIBIT A TO THE DISCLOSURE DOCUMENT

AGENTS FOR SERVICE OF PROCESS/STATE ADMINISTRATORS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for franchising disclosure/registration laws and for service of process We may not yet be registered to sell franchises in any or all of these states

	STATE REGULATORY AGENCY	AGENT TO RECEIVE PROCESS IN STATE, IF DIFFERENT THAN THE STATE REGULATORY AGENCY
California	Department of Business Oversight *Los Angeles* 320 West 4th Street Suite 750 Los Angeles, CA 90013-2344 (213) 576-7500 *Sacramento* 1515 K Street Suite 200 Sacramento, CA 95814-4052 (916) 445-7205 *San Diego* 1350 Front Street, Room 2034 San Diego, CA 92101-3697 (619) 525-4233 *San Francisco* One Sansome Street, Suite 600 San Francisco, CA 94104-4428 (415) 972-8565	
Hawaii	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities P O Box 40 Honolulu, Hawaii 96810 (808) 586-2744	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813
Illinois	Franchise Bureau Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	
Indiana	Franchise Section Indiana Securities Division Secretary of State Room E-111 302 W Washington Street Indianapolis, Indiana 46204 (317) 232-6681	

	STATE REGULATORY AGENCY	AGENT TO RECEIVE PROCESS IN STATE, IF DIFFERENT THAN THE STATE REGULATORY AGENCY
Maryland	Office of the Attorney General Securities Division 200 St Paul Place Baltimore, MD 21202-2020 (410) 576-7042	Maryland Securities Commissioner 200 St Paul Place Baltimore, Maryland 21202-2020
Michigan	Michigan Attorney General's Office Consumer Protection Division Attn Franchise Section 525 W Ottawa Street Williams Building, 1st Floor Lansing, MI 48933 (517) 373-7117	
Minnesota	Minnesota Department of Commerce Market Assurance Division 85 7th Place East, Suite 500 St Paul, Minnesota 55101-2198 (651) 296-6328	
New York	Attention Barbara Lasoff Office of the New York State Attorney General Investor Protection Bureau of Franchise 120 Broadway, 23rd Floor New York, NY 10271-0332 (212) 416-8236	Attention Uniform Commercial Code New York Department of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 (518) 473-2492
North Dakota	Office of Securities Commissioner Fifth Floor 600 East Boulevard Bismarck, ND 58505-0510 (701) 328-4712	
Oregon	Department of Consumer & Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, Oregon 97310 (503) 378-4140	
Rhode Island	Department of Business Regulation Securities Division 1511 Pontiac Avenue John O Pastore Complex–69-1 Cranston, RI 02920-4407 (401) 462-9527	

	STATE REGULATORY AGENCY	AGENT TO RECEIVE PROCESS IN STATE, IF DIFFERENT THAN THE STATE REGULATORY AGENCY
South Dakota	Division of Securities 124 S Euclid, Suite 104 Pierre, SD 57501 (605) 773-4823	
Virginia	State Corporation Commission 1300 East Main Street 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Department of Financial Institutions Securities Division P O Box 9033 Olympia, WA 98507-9033 (360) 902-8760	Department of Financial Institutions 150 Israel Road SW Tumwater, WA 98501
Wisconsin	Division of Securities Department of Financial Institutions Post Office Box 1768 Madison, Wisconsin 53701 (608) 266-2801	

EXHIBIT B TO THE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA

EXHIBIT B

ADDENDUM TO THE CHHJ FRANCHISING L L C
DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF CALIFORNIA

CALIFORNIA APPENDIX

1 California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination or non-renewal of a franchise If the Franchise Agreement contains provisions that are inconsistent with the law, the law will control

2 The Franchise Agreement provides for termination upon bankruptcy This provision may not be enforceable under Federal Bankruptcy Law (11 U S C A Sec 101 et seq)

3 The Franchise Agreement contains covenants not to compete which extend beyond the termination of the agreements These provisions may not be enforceable under California law

4 Section 31125 of the California Corporation Code requires the franchisor to provide you with a Disclosure Document before asking you to agree to a material modification of an existing franchise

5 Neither the franchisor, any person or franchise broker in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U S C A 79a et seq , suspending or expelling such persons from membership in such association or exchange

6 The Franchise Agreement requires binding arbitration The arbitration will occur in Florida with the costs being borne by the franchisee and franchisor Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040 5 Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California

7 The Franchise Agreement requires application of the laws of Florida This provision may not be enforceable under California law

8 You must sign a general release if you renew or transfer your franchise California Corporation Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516) Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043)

9 THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT

10 The Franchise Agreement contains a liquidated damages clause Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable

11 OUR WEBSITE, www collegehunkshaulingjunk com, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT at www dbo ca gov

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20___

CHHJ FRANCHISING L L C

By _____
Name _____
Title _____

FRANCHISEE

_____

EXHIBIT B
ADDENDUM TO THE CHHJ FRANCHISING L L C
DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT
AND DEPOSIT AGREEMENT REQUIRED BY THE STATE OF ILLINOIS

1 The following item is required to be included within the Disclosure Document and the Franchise Agreement and shall be deemed to supersede the language that is in the Disclosure Document and Franchise Agreement itself

> Section 4 of the Illinois Franchise Disclosure Act ("**Act**") dictates that "any provision in the franchise agreement which designates jurisdiction or venue in a forum outside of this State is void with respect to any cause of action which otherwise is enforceable in this State, provided that a franchise agreement may provide for arbitration in a forum outside of this State " Therefore, the Act supersedes any contrary provisions contained in the Franchise Agreement

2 Illinois law governs the Franchise Agreement

3 Any releases and/or waivers that we request you to sign must conform with Section 41, Waivers Void, of the Illinois Franchise Disclosure Act of 1987 which states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding potential or actual lawsuits filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code " The appropriate sections of Franchise Agreement is amended accordingly

4 Under Illinois law, a franchise agreement may not provide for a choice of law of any state other than Illinois Accordingly, Items 17(v) and (w) are amended to state "Illinois " The appropriate sections of Franchise Agreement is amended accordingly

5 Section 19, Termination of a Franchise, of the Illinois Franchise Disclosure Act of 1987 ("**Act**") subsection (a) states that "It shall be a violation of this Act for a franchisor to terminate a franchise of a franchised business located in this State prior to the expiration of its term except for "good cause" as provided in subsection (b) and (c) of this Section " Items 12 and 17 (o) of the Franchise Disclosure Document and Section 18 8 of the Franchise Agreement are amended to state that Franchisor or its designee shall have the option to purchase Franchisee's franchised business only if the Franchise Agreement was terminated for "good cause" or upon expiration of its term

6 Section 20 13 of the Franchise Agreement is amended to comply with Section 27 of the Act to allow any and all claims and actions arising out of or relating to these Agreements, the relationship of Franchisor and Franchisee or Franchisee's operation of the Franchise brought by Franchisee against Franchisor shall be commenced within three (3) years from the occurrence of the facts giving rise to such claim or action, within one (1) year after the Franchisee becomes aware of the facts or circumstances indicating Franchisee may have a claim for relief, or ninety (90) days after delivery to Franchisee of a written notice disclosing the violation, or such claim or action will be barred

7 Article 22 of the Franchise Agreement and Item 12 of the Disclosure Document is amended to comply with Section 20 of the Act which states that "it shall be a violation of this Act for a franchisor to refuse to renew a franchise of a franchised business located in this State without compensating the franchisee either by repurchase or by other means for the diminution in the value of the franchised business caused by the expiration of the franchise where (a) the franchisee is barred by the franchise agreement (or by the refusal of the franchisor at least 6 months prior to the expiration date of the

franchise to waive any portion of the franchise agreement which prohibits the franchisee) from continuing to conduct substantially the same business under another trademark, service mark, trade name or commercial symbol in the same area subsequent to the expiration of the franchise, or (b) the franchisee has not been sent notice of the franchisor's intent not to renew the franchise at least 6 months prior to the expiration date or any extension thereof of the franchise

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20___

CHHJ FRANCHISING L L C

By _____
Name _____
Title _____

FRANCHISEE

_____

EXHIBIT B

ADDENDUM TO THE CHHJ FRANCHISING L L C DISCLOSURE DOCUMENT FOR THE STATE OF MARYLAND

This will serve as the State Addendum for CHHJ Franchising LLC for the State of Maryland for College Hunks Hauling Junk® Disclosure Document and for its Franchise Agreement The amendments to the Franchise Agreement included in this addendum have been agreed to by the parties

1 The provision contained in the termination sections of the Franchise Agreement may not be enforceable under federal bankruptcy law (11 U S C Section 101 et seq)

2 Item 17 of the Disclosure Document shall be amended at the sections dealing with the issuance of general releases to the effect that the general release required as a condition of renewal and/or assignment/transfer are not intended to nor shall they act as a release, estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law The appropriate sections of the Franchise Agreement is hereby deemed to be amended accordingly

3 The Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a prospective franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing a franchise Any disclaimer regarding the occurrence and/or acknowledgment of the non-occurrence of acts that would constitute a violation of the Franchise Law in order to purchase the franchise are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law The Franchisee Disclosure Acknowledgment Statement, Exhibit "I" to the Disclosure Document, and the Franchise Agreement are amended to comply with this provision

4 Item 17 of the Disclosure Document and the appropriate sections of the Franchise Agreement is amended to state that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20___

CHHJ FRANCHISING L L C

By _____
Name _____
Title _____

FRANCHISEE

_____

FORM OF GENERAL RELEASE

THIS AGREEMENT ("Agreement") is made and entered into this ____ day of _____, 20__ by and between CHHJ FRANCHISING L L C , a Delaware limited liability company having its principal place of business located at 1513 East 9th Avenue, Tampa, Florida 33605 (the "Franchisor"), and _____ residing at _____ (the "Releasor") The parties, in exchange for good and valuable consideration, the sufficiency and receipt of which is acknowledged, and in reliance upon the representations, warranties, and comments, do agree as follows

1 Release by Releasor

Releasor does for itself, its successors and assigns, hereby release and forever discharge generally the Franchisor and any affiliate, wholly owned or controlled corporation, subsidiary, successor or assign thereof and any shareholder, officer, director, employee, or agent of any of them, from any and all claims, demands, damages, injuries, agreements and contracts, indebtedness, accounts of every kind or nature, whether presently known or unknown, suspected or unsuspected, disclosed or undisclosed, actual or potential, which Releasor may now have, or may hereafter claim to have or to have acquired against them of whatever source or origin, arising out of or related to any and all transactions of any kind or character at any time prior to and including the date hereof, including generally any and all claims at law or in equity, those arising under the common law or state or federal statutes, rules or regulations such as, by way of example only, franchising, securities and anti-trust statutes, rules or regulations, in any way arising out of or connected with the Agreement, and further promises never from this day forward, directly or indirectly, to institute, prosecute, commence, join in, or generally attempt to assert or maintain any action thereon against the Franchisor, any affiliate, successor, assign, parent corporation, subsidiary, director, officer, shareholder, employee, agent, executor, administrator, estate, trustee or heir, in any court or tribunal of the United States of America, any state thereof, or any other jurisdiction for any matter or claim arising before execution of this Agreement In the event Releasor breaches any of these promises covenants, or undertakings by any act or omission, Releasor shall pay, by way of indemnification, all costs and expenses of the Franchisor caused by the act or omission, including reasonable attorneys' fees

2 Releasor represents and warrants that no portion of any claim, right, demand, obligation, debt, guarantee, or cause of action released hereby has been assigned or transferred by Releasor party to any other party, firm or entity in any manner including, but not limited to, assignment or transfer by subrogation or by operation of law In the event that any claim, demand or suit shall be made or institute against any released party because of any such purported assignment, transfer or subrogation, the assigning or transferring party agrees to indemnify and hold such released party free and harmless from and against any such claim, demand or suit, including reasonable costs and attorneys' fees incurred in connection therewith It is further agreed that this indemnification and hold harmless agreement shall not require payment to such claimant as a condition precedent to recovery under this paragraph

3 Each party acknowledges and warrants that his, her or its execution of this Agreement is free and voluntary

4 Florida law shall govern the validity and interpretation of this Agreement, as well as the performance due thereunder This Agreement is binding upon and inures to the benefit of the respective assigns, successors, heirs and legal representatives of the parties

5 In the event that any action is filed to interpret any provision of this Agreement, or to enforce any of the terms thereof, the prevailing party shall be entitled to its reasonable attorneys' fees and costs incurred, and said action must be filed in the State of Florida

6 This Agreement may be signed in counterparts, each of which shall be binding against the party executing it and considered as the original

IN WITNESS WHEREOF, the parties, intending to be legally bound hereby, have executed this agreement effective as of the date first above

RELEASOR

_____

EXHIBIT B

ADDENDUM TO DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT FOR THE STATE OF MINNESOTA

This addendum to the Disclosure Document is agreed to this ___ day of _____, 20__, and effectively amends and revises said Disclosure Document, Franchise Agreement as follows

1 Item 13 of the Disclosure Document and the appropriate sections of the Franchise Agreement is amended by the addition of the following language to the original language

> "In accordance with applicable requirements of Minnesota law, Franchisor shall protect Franchisee's right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or shall indemnify Franchise from any loss, costs or expenses arising out of any claim, suit or demand regarding such use "

2 Item 17 of the Disclosure Document and the appropriate sections of the Franchise Agreement is amended by the addition of the following language to the original language

> "Minnesota law provides franchisees with certain termination and non-renewal rights Minnesota Stat Sec 80c 14, Subd 3, 4 and 5 require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Disclosure Document "

3 Item 17 of the Disclosure Document and the appropriate sections of the Franchise Agreement is amended by the addition of the following language to the original language

> "Minn Stat Sec 80C 21 and Rule 2860 4400J prohibit us from requiring litigation to be conducted outside Minnesota In addition, nothing in the Disclosure Document or agreements can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of jurisdiction "

4 Item 17 of the Disclosure Document and the appropriate sections of the Franchise Agreement is amended by the addition of the following language to the original language

> "Minn Rule 2860 4400D prohibits us from requiring you to assent to a general release "

5 Any reference to liquidated damages in the Franchise Agreement is hereby deleted in accordance with Minn Rule 2860 4400J which prohibits requiring you to consent to liquidated damages

6 The Franchise Agreement is hereby amended to comply with Minn Rule 2860 4400J which prohibits waiver of a jury trial

7 The Franchise Agreement is hereby amended to comply with Minn Stat §80C 17, Subd 5 regarding Limitations of Claims

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20___

CHHJ FRANCHISING L L C

By _____
Name _____
Title _____

FRANCHISEE

_____

EXHIBIT B

ADDENDUM TO THE CHHJ FRANCHISING L L C DISCLOSURE DOCUMENT REQUIRED BY THE DEPARTMENT OF LAW OF THE STATE OF NEW YORK

1 The following information is added to the cover page of the Franchise Disclosure Document

INFORMATION COMPARING FRANCHISORS IS AVAILABLE CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271 THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT

2 The following is added at the end of Item 3

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2 or an affiliate offering franchises under the franchisor's principal trademark

(A) No such party has an administrative, criminal or civil action pending against that person alleging a felony, a violation of a franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations

(B) No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations

(B) No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging violation of a franchise, antifraud or securities law, fraud, embezzlement, fraudulent conversion or misappropriation of property, unfair or deceptive practices, or comparable allegations

(C) No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency, or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from

membership in such association or exchange, or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent

3 The following is added at the end of Item 4

Neither the Franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the Franchise Disclosure Document (a) filed as debtor (or had filed against it) a petition to start an action under the U S Bankruptcy Code, (b) obtained a discharge of its debts under the bankruptcy code, or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U S Bankruptcy Code or that obtained a discharge of its debts under the U S Bankruptcy Code during or within 1 year after the officer or general partner of the Franchisor held this position in the company or partnership

4 The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for franchisee to renew or extend**," and Item 17(m), entitled "**Conditions for franchisor approval of transfer**"

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force, it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687 4 and 687 5 be satisfied

5 The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**"

You may terminate this agreement on any grounds available by law

6 The following is added to the end of the "Summary" section of Item 17(j), titled "**Assignment of contract by franchisor**"

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement

7 The following is added to the end of the "Summary" section of Item 17(v), titled "**Choice of forum**", and Item 17(w), titled "**Choice of law**"

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20___

CHHJ FRANCHISING L L C

By _____
Name _____
Title _____

FRANCHISEE

_____

ADDENDUM TO THE
CHHJ FRANCHISING L L C
NORTH DAKOTA DISCLOSURE DOCUMENT

1 The Summary column of Item 17 paragraph (c) of this disclosure document is modified to read as follows

"Give us at least 90 days notice of your intention to renew, sign our current form of franchise agreement and ancillary agreements, and sign a release (except for matters coming under the North Dakota Franchise Investment Law (the ND Law")"

2 The Summary column of Item 17 paragraph (r) of this disclosure document is modified by adding the following at the end of the sentence

"Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota"

3 The Summary column of Item 17 paragraph (u) of this disclosure document is amended by adding the following at the end of the paragraph

"except that matters coming under the ND Law will be submitted to arbitration in a mutually agreeable location

4 The Summary column of Item 17 paragraph (v) of this disclosure document is amended to read as follows

Except for matters coming under the ND Law, litigation must be in Broward County, Florida

5 The Summary column of Item 17 paragraph (w) of this disclosure document is amended to read as follows

Except for matters coming under the ND Law, the law of Florida (subject to state law) *

6 The Franchisee is not required to waive jury trial for any matters coming under ND Law

RIDER TO
CHHJ FRANCHISING L L C
FRANCHISE AGREEMENT
FOR USE IN NORTH DAKOTA

This Rider is entered into this _____, 201___ (the "**Effective Date**"), between **CHHJ FRANCHISING L L C**, a Delaware limited liability company, with its principal business address at 1513 East 9th Avenue, Tampa, Florida 33606 ("**we**" or "**our**"), and _____ _____, a _____ whose principal business address is _____ _____ (the "**Franchisee**") and amends the Franchise Agreement between the parties dated as of the Effective Date, (the "**Agreement**")

1 **Precedence and Defined Terms** This Rider is an integral part of, and is incorporated into, the Agreement Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement Terms not otherwise defined in this Rider have the meanings as defined in the Agreement

2 **Grant of Successor Franchise** You are not required to sign a general release as to any matters coming under the North Dakota Franchise Investment Law (the "**ND Law**")

3 **Post-Term Competitive Restrictions** Covenants not to compete, such as those mentioned in this section, are generally unenforceable in the State of North Dakota

4 **Jurisdiction** All matters coming under the ND Law may be brought in the courts of North Dakota

5 **Waiver of Punitive Damages and Jury Trial** Paragraphs 22(d) and 22(c) of the Franchise Agreement are deleted in their entirety

6 **Limitation of Claims** The statute of limitations under ND Law applies to all matters coming under ND Law

7 **Governing Law** This Agreement will be governed by North Dakota law

8 **Exercise of Rights** This paragraph is deleted insofar as it requires you to consent to liquidated damages

9 **Agreement to Arbitrate** All matters coming under North Dakota Law will be submitted to arbitration at a mutually agreeable location

Intending to be bound, you and we sign and deliver this Rider in 2 counterparts effective on the Agreement Date, regardless of the actual date of signature

CHHJ FRANCHISING L L C

By _____
Name _____
Title _____
Date _____

YOU

_____
Name _____
Date _____

EXHIBIT B

ADDENDUM TO THE CHHJ FRANCHISING L L C
DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF RHODE ISLAND

The following amends Item 17 and is required to be included within the Disclosure Document and shall be deemed to supersede the language in the Disclosure Document itself

Section 19-28 1-14 of the Rhode Island Franchise Investment Act provides that

"A provision in a franchise agreement restricting jurisdiction or venue to a forum outside of this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act "

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20___

CHHJ FRANCHISING L L C

By _____
Name _____
Title _____

FRANCHISEE

_____

EXHIBIT B TO THE DISCLOSURE DOCUMENT

ADDENDUM TO THE CHHJ FRANCHISING, L L C
DISCLOSURE DOCUMENT REQUIRED BY THE COMMONWEALTH OF VIRGINIA

In recognition of the restrictions contained in Section 13 1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for CHHJ Franchising, L L C for use in the Commonwealth of Virginia shall be amended as follows

Additional Disclosure The following statements are added to Item 17 h

Pursuant to Section 13 1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause If any grounds for default or termination stated in the franchise agreement do not constitute "reasonable cause," as that the term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, the provision may not be enforceable

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20___

CHHJ FRANCHISING L L C

By _____
Name _____
Title _____

FRANCHISEE

_____

EXHIBIT B

ADDENDUM TO THE CHHJ FRANCHISING L L C DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT REQUIRED BY THE STATE OF WASHINGTON

We will defer the payment of the initial franchise fee and any other initial payment until all of our material pre-opening obligations have been satisfied The initial franchise fee is deferred until you open your business and it is operating However, you must execute the Franchise Agreement prior to looking for a site or beginning training

The State of Washington has a statute, RCW 19 100 180, which may supersede the Franchise Agreement in your relationship with the Franchisor, including the areas of termination and renewal of your franchise There may also be court decisions which may supersede the Franchise Agreement in your relationship with the Franchisor, including the areas of termination and renewal of your franchise

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW shall prevail

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act or rights or remedies under the Act, such as a right to a jury trial, may not be enforceable

Transfer fees are collectable to the extent that they reflect the Franchisor's reasonable estimated or actual costs in effecting a transfer

IN WITNESS WHEREOF, the parties have duly executed, sealed and delivered this Addendum dated this _____ day of _____ 20___

CHHJ FRANCHISING L L C

By _____
Name _____
Title _____

FRANCHISEE

_____

EXHIBIT C TO THE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

CHHJ FRANCHISING L L C

FRANCHISE AGREEMENT

_____

FRANCHISEE

_____

DATE OF AGREEMENT

		Initials
☐	Standard Franchise – College Hunks Hauling Junk®	___/___
☐	Standard Franchise – College Hunks Moving®	___/___
☐	Combination College Hunks Hauling Junk® and College Hunks Moving®	___/___
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CHHJ FRANCHISING L L C

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "**Agreement**") is made and entered into this ____ day of_____, 20___ (the "**Agreement Date**") between **CHHJ FRANCHISING L L C** , a Delaware limited liability company with its principal office at 1513 East 9th Avenue, Tampa, Florida 33605 (the "**Franchisor**"), and_____whose principal address is_____, an individual /partnership /corporation formed or incorporated in the State of_____, who will act under this Agreement under the approved trade names College Hunks Hauling Junk® and/or College Hunks Moving® (the "**Franchisee**") Franchisor and Franchisee are sometimes herein referred to individually as a "**party**" and collectively as the "**parties** "

WITNESSETH

WHEREAS, the Franchisor has developed a format and system (the "**System**") of uniform standards, methods, merchandising, and advertising for the operation of franchises that will provide junk removal services, including picking up unwanted items from residential or commercial clients and taking it to the appropriate landfill or transfer station for appropriate disposal or recycling, the provision of moving services, and the sale of products and services related thereto (the "**Franchised Business**") using the Franchisor's website, trade name, trademarks and service marks of College Hunks Hauling Junk® and College Hunks Moving®, and phone number (collectively, the "**Proprietary Marks**"),

WHEREAS, the Franchisee desires to enter into the business of owning and operating a Franchised Business in accordance with the System and wishes to obtain a franchise from the Franchisor for that purpose, as well as to receive the training and other assistance provided by the Franchisor in connection therewith,

WHEREAS, the Franchisee understands and acknowledges the importance of, and benefits to be derived from, the System, as well as the Franchisor's high standards of quality and service and the necessity of operating the Franchised Business hereunder in conformity with the Franchisor's standards and specifications,

WHEREAS, the Franchisee desires to obtain a franchise to use the System and the Proprietary Marks at the location described in Exhibit "A" hereto, pursuant to the provisions hereof, and Franchisee has had a full and adequate opportunity to be thoroughly advised of the terms and conditions of this Franchise Agreement by counsel of his/her own choosing and represents and warrants that he/she has the business experience and financial ability to operate a Franchised Business,

WHEREAS, the Franchisee acknowledges that Franchisee has read this Agreement and Franchisor's Disclosure Document and that Franchisee understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain uniform high standards of quality at all locations and to protect the goodwill of the Proprietary Marks,

WHEREAS, the Franchisor expressly disclaims the making of any warranty or guarantee, expressed or implied, oral or written, regarding the potential revenues, profits or success of the business venture contemplated by this Agreement,

WHEREAS, the Franchisee acknowledges that he/she has no knowledge of, nor has received nor relied upon, any representations or warranties by Franchisor, its officers, directors, shareholders or

representatives about the franchise offered hereunder, about Franchisor or its franchising programs and policies that are contrary to the statements in Franchisor's Disclosure Document or to the terms of this Agreement, or regarding the potential revenues, profits or success of the business venture contemplated hereunder, and

WHEREAS, the Franchisee acknowledges that this Agreement places detailed and substantial obligations on Franchisee, including strict adherence to Franchisor's reasonable present and future requirements regarding facilities, equipment, suppliers, operating procedures, management protocols and procedures, merchandising strategies, sales promotion programs and related matters Franchisee acknowledges that future improvements, changes and developments in the System may require additional expense to be undertaken by Franchisee

BEFORE SIGNING THIS AGREEMENT, FRANCHISEE SHOULD READ IT CAREFULLY WITH ASSISTANCE OF LEGAL COUNSEL

NOW, THEREFORE, for and in consideration of the mutual undertakings, covenants, premises and commitments contained hereinabove and below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **IT IS AGREED** as follows

ARTICLE I

DEFINITIONS

1 1 Definitions

In addition to any other terms defined in this Agreement, the following definitions shall govern this Agreement

1 1 1 "**Agreement**" means this document, including all exhibits hereto, as they may be modified from time to time, and documents referenced and incorporated herein, and any documents or agreements modifying the System

1 1 2 "**Business Entity**" means a corporation, limited liability company, general partnership, limited partnership, or other legal entity

1 1 3 "**Commencement of Business**" means the date on which any revenue is received from, or any Service is provided to, customers of the Franchised Business, whichever occurs first

1 1 4 "**Copyrights**" means all work rendered in a tangible medium of expression as defined under U S Copyright Law, 17 U S C Sec 101, *et seq* , that relates to the Franchised Business, whether published or unpublished, whether confidential or not, whether created by Franchisor or 1 or more of its franchisees, assigned hereunder to and owned by Franchisor and licensed for use by Franchisee as part of the Franchised Business under this Agreement, including without limitation, the Manual

1 1 5 "**Designated Territory**" means the exclusive territory granted to Franchisee encompassing contiguous Zones as shown on Exhibit "A" hereto, as such Exhibit may be amended from time to time

1 1 6 "**First Contact Sales & Loyalty Center**" or "**SLC**" means the call center operated by Franchisor or its designee which will receive and distribute requests for Services via a

toll-free telephone number and other methods, such as e-mail ("**SLC Services**") and will refer to the Franchisor or its designated supplier of those SLC Services as applicable

1 1 7 "**Franchised Business**" means the System as licensed to the Franchisee hereunder to use from within Franchisee's Designated Territory

1 1 8 "**Initial Franchise Fee**" means the initial franchise fee to be paid by Franchisee to Franchisor in accordance with Section 8 1 of this Agreement

1 1 9 "**Know How**" means Franchisor's (a) trade secrets and know-how, whether existing now or created during the term of this Agreement by Franchisor and/or 1 or more of its franchisees (and assigned back to Franchisor), as conveyed to Franchisee, that relates to, *inter alia*, Franchisor's services and/or processes, marketing practices, and business methods, affairs, tools and techniques, as well as including its client or prospective client lists and trade relationships including pricing information, which tends to give Franchisor and its network of franchisees a competitive edge over others who provide the same or similar products or services in the field of junk removal and moving services, (b) inventions that may be protected by the filing of U S patent applications under Title 35 of the United States Code and/or foreign statutory counterparts, and (c) all unpublished or otherwise confidential work that has been rendered and "work made for hire" protected under Title 17 of the United States Code and other applicable foreign copyright statutes Know How need not take the form of any particular tangible medium of expression, but may also be found or contained in the form of records, magnetic media, papers, photographs, catalogs, books, cassettes, videotapes, computer files, or stored or fixed on computer hard or soft disks or diskettes

1 1 10 "**Proprietary Marks**" means all the trademarks, service marks, logos, emblems, and indicia of origin licensed to and used or contemplated to be used by Franchisor and/or 1 or more of its franchisees, including, but not limited to, the trade dress, the marks College Hunks Hauling Junk®, The Junk Hunk® logo, Let Tomorrow's Leaders Haul Your Junk Today!®, Have a Junk-Free Day!®, Junk Free is the Way to Be!®, College Hunks Moving® and other such trade names, service marks and trademarks as may be designated now or hereafter by the Franchisor

1 1 11 "**Proprietary Properties**" means the Copyrights, Know How, Proprietary Marks and Software

1 1 12 "**Services**" means the provision of junk removal services (including picking up unwanted items from residential or commercial clients and taking it to the appropriate landfill or transfer station for appropriate disposal or recycling), moving services (including packing boxes for customers as well as sales of boxes and packing materials) and any other services approved by Franchisor to be offered by Franchisee to its clients At this time, Services specifically exclude regular trash routes or hauling of liquids, gases, or flammable materials or hazardous waste

1 1 13 "**Service Vehicle**" means the truck with custom designed dump body Franchisee is required to obtain by lease or purchase and maintain for use in the operation of the Franchised Business, as well as any truck(s) to be used for the provision of moving services

1 1 14 "**Software**" means the computer software (including all patches, modifications and updates and including proprietary software designated by Franchisor) that Franchisor develops, acquires, designates and/or makes accessible to Franchisee under this Agreement, including, without limitation, any software by which the Franchisee downloads and uploads information relevant to the

Franchised Business "**Term**" means the Initial Term, any Renewal Term, and/or any extension of them

1 1 15 "**Zone**" means a specified area which is purchased by Franchisee and within which the Franchised Business will be operated A standard Zone will contain a population of between 250,000 and 400,000 persons, and a "small market" Zone will contain a population of between 4,000 and 249,000 persons The Zones that comprise Franchisee's Designated Territory are set forth on Exhibit "A" attached hereto

ARTICLE II

GRANT OF FRANCHISE AND LICENSE

2 1 Grant

Subject to the provisions of this Agreement and all documents or other agreements ancillary thereto (the "**Agreement**")

2 1 1 Franchisor hereby grants to Franchisee, and Franchisee hereby accepts, the franchise and license to operate a Franchised Business within the Designated Territory as shown on Exhibit "A" hereto, as such Exhibit may be modified from time to time in the event that Franchisee purchases additional Zones or if Franchisee fails to meet the Minimum Annual Royalty requirement described in Section 8 2 4 below and Franchisor exercises its right to reduce Franchisee's Designated Territory in accordance with Section 8 2 5 below Franchisor may condition any purchase of additional Zones by, or refuse to sell them to Franchisee for any reason it determines, including, without limitation, Franchisee's financial performance in its existing Zones, payment history, and compliance with this Agreement and Franchisor's standards

2 1 2 Franchisee agrees to use the Proprietary Properties solely for the Franchised Business and for no other purpose, and only for the type of Franchised Business checked and initialed on the cover of this Agreement

ARTICLE III

FRANCHISEE RESTRICTIONS AND FRANCHISOR'S RESERVED RIGHTS

3 1 Franchisee's Restrictions

Franchisee's activities are limited to offering and selling those Services permitted under the System from the Designated Territory Franchisee has been granted no right of ownership in and/or to any part or all of the Proprietary Properties

3 2 Rights Reserved to Franchisor

Franchisor reserves the right (i) of ownership in, and control over the Proprietary Properties,

(ii) to grant additional franchises, whether similar or dissimilar to the franchise granted hereby, anywhere it deems reasonably appropriate, subject to the limitations set forth below, (iii) to engage fully and freely and without limitation in each and every aspect of the business of selling related services, products and equipment, (iv) to offer to the public-at-large, separately, jointly or with others, all related services and/or products of every type and kind, and (v) to employ and exploit the Proprietary Marks, Copyrights, Know How, and Software in connection therewith

Franchisor (and any affiliates that Franchisor periodically might have) reserves the right

(a) to establish and operate, and grant rights to other franchise owners to establish and operate, Franchised Businesses or similar businesses at any locations outside of the Designated Territory and on any terms and conditions Franchisor deems appropriate,

(b) to offer and sell, and grant rights to other franchise owners to offer and sell, any junk removal, moving and/or related products or services identical or similar to, or dissimilar from, those Franchisee's Franchised Business sells, inside or outside of the Designated Territory, whether identified by the Proprietary Marks or other trademarks or service marks, through any distribution channels Franchisor deems best, as long as it does not (i) utilize the same distribution channel(s) used in the Franchisee's Franchised Business (including the Internet), to offer and sell identical or similar products or services using the Proprietary Marks or confusingly similar marks, or (ii) operate a business that offers or sells identical or similar products or services within the Designated Territory using the Proprietary Marks or confusingly similar marks

(c) to purchase or otherwise acquire the assets or controlling ownership of 1 or more businesses identical or similar to the Franchised Business (and/or enter into franchise, license, and/or similar agreements for such businesses), some or all of which might be located within the Designated Territory,

(d) to be acquired (regardless of the form of transaction) by a business identical or similar to College Hunks Hauling Junk® or College Hunks Moving®, even if the other business operates, franchises and/or licenses competitive businesses anywhere, provided, however, that in the event of a sale or merger by Franchisor with a competitive franchise network, chain or other business, and if such sale or merger would result in a competing business being located in Franchisee's Designated Territory, Franchisee shall have the option, to be exercised within 30 days after notice from Franchisor concerning such sale or merger, to request that Franchisor buy back the Franchised Business according to the terms and conditions set forth in Article XXII below, and

(e) to engage in any other business activities not expressly prohibited by this Agreement, anywhere

3 3 National or Regional Account

Franchisor may develop a National or Regional Accounts program ("**National Accounts Program**") for the benefit of all Franchised Businesses A "**National or Regional Account**" means any client or potential client that has employees or offices in 2 or more locations and in more than 1 Zone, or which qualifies for corporate pricing for commercial services, as determined by Franchisor in its sole discretion The locations of some of the National or Regional Accounts may be in Franchisee's Designated Territory and they may have locations in other zones outside of Franchisee's Designated Territory Accordingly, regardless of any contrary provision of this Agreement, the parties agree as follows

(a) **Territorial Rights** Franchisee agrees that Franchisor and its affiliates may solicit customers located in Franchisee's Designated Territory, whether or not Franchisee then currently provides services to them, in order to develop them as National or Regional Accounts Franchisor and its affiliates may do so without violating any of Franchisee's territorial rights within the Designated Territory

(b) **Best Efforts** If Franchisor develops a National Accounts Program, Franchisee must sign and deliver to Franchisor its standard form of National Accounts Program Participation Agreement Franchisee shall use its best efforts to perform services for National or Regional Accounts located in its Designated Territory on the terms and conditions specified by Franchisor for each

National or Regional Account The terms and conditions may vary from National or Regional Account to National or Regional Account, depending on the situation and circumstances, and will be determined by Franchisor in its sole discretion Franchisor may require Franchisee to coordinate its efforts with Franchisor, its affiliate, and/or other franchisees with respect to Regional or National Accounts

(c) **Alternative Services** Franchisee recognizes that some National or Regional Accounts, for whatever reason, may decide that they do not want to do business with Franchisee If that happens, Franchisor will cooperate with Franchisee to the fullest extent Franchisor deems practicable to resolve the National or Regional Account's concerns However, if after Franchisor exercises what it believes to be reasonable efforts to rectify the problem, the National or Regional Account continues to refuse to do business with Franchisee, then Franchisee agrees that Franchisor or its affiliate or any other franchisee designated by Franchisor may provide services for that National or Regional Account in Franchisee's Designated Territory, with no compensation or liability to Franchisee Franchisee also agrees that Franchisor, its affiliate, or any franchisee designated by Franchisor may perform services for any National or Regional Account located in Franchisee's Designated Territory for whom Franchise has declined to provide services Neither Franchisor nor any of its affiliates or franchisees will be liable or obligated to pay Franchisee any compensation for doing so, and neither Franchisor nor any of its affiliates or franchisees will be considered in breach of any provision of this Agreement or any other agreement between the parties Franchisee releases Franchisor, its affiliates, and such other franchisees from any liability or obligation to Franchisee for providing services to such National or Regional Accounts in accordance with the terms of this Agreement and any policies and procedures that Franchisor develops and implements from time to time for National or Regional Accounts Franchisor will indemnify, defend and hold Franchisee harmless from and against any claims brought by a National or Regional Account arising out of its performance of services in Franchisee's Designated Territory

(d) **Billing Reports and Forms** For purposes of coordinating efforts and results of National or Regional Accounts, Franchisee must timely provide Franchisor with copies of all reports, forms and notices relating to performing services for National or Regional Accounts that Franchisor may specify from time to time Franchisee also agrees to coordinate with Franchisor any solicitations Franchisee conducts that may have potential for development as National or Regional Account A National or Regional Account may require Franchisee to conform to certain billing terms, practices and formats Franchisee recognizes that various National or Regional Accounts may require billing and collection procedures that differ from those specified in this Agreement Franchisee agrees to comply with any of the billing and/or collection procedures specified in Franchisor's various National or Regional Accounts agreements For example, Franchisor may require Franchisee to participate in a centralized billing and collection procedure through which all billing for a National or Regional Account will be conducted through a centralized billing service or through the National or Regional Account Accordingly, Franchisor may require that all contracts, invoices, and billings for products and services be submitted to the National or Regional Account or any other centralized billing service which Franchisor or the applicable National or Regional Account designates If Franchisee receives any payments in connection with any National or Regional Account which requires centralized billing, Franchisee must immediately remit such payments directly to the centralized billing service, National or Regional Account, or third party designated by Franchisor, without any deduction, and must also endorse any checks payable to the entity which Franchisor designates When centralized billing is required by a National or Regional Account, Franchisor will deduct the amount of the Continuing Royalty Fee and any other fees due to Franchisor and then remit the remaining balance to Franchisee on a semi-monthly basis If Franchisor provides centralized billing and collection services, Franchisor will utilize commercially reasonable efforts to collect amounts due from customers, however, Franchisee understands that it is also responsible to assist in the collection efforts Franchisor does not warrant or guarantee collection of any amounts due

(e) **Pricing** Franchisee may not charge greater fees for services and products which Franchisor specifies as the maximum pricing for such National or Regional Account Franchisee acknowledges and agrees that Franchisor may set discounts, commissions, price structures (including maximum charges for products and services), and performance and maintenance standards for National Accounts

(f) **Commission** Franchisor may require Franchisee to pay a commission or other fee to Franchisor or its designee (the "**National Account Commission**"), in addition to the Continuing Royalty Fee, as a cost of securing National/Regional Accounts, servicing National/Regional Accounts, and/or administering the Regional Accounts Program The amount of the National Account Commission will be determined by Franchisor and described in the applicable National or Regional Account agreement or the Manual

ARTICLE IV

TERM AND RENEWAL

4 1 Term

The term of this Agreement shall be 10 years commencing on the date hereof, unless sooner terminated in accordance with the provisions of this Agreement (the "**Initial Term**")

4 2 Renewal Term

If Franchisee shall have complied with the conditions for renewal set forth in Section 4 3 below, Franchisee shall have the right, but not the obligation, to enter into a renewal Franchise Agreement for an additional term of 10 years (the "**Renewal Term**") After the Renewal Term, any subsequent renewals are governed by the renewal franchise agreement described in Section 4 4 below

4 3 Requirements for Renewal

Franchisee's right to enter into the Renewal Term is contingent upon Franchisee's fulfillment of the following conditions

4 3 1 Upon Franchisee's exercise of such right and at the commencement of any Renewal Term, Franchisee shall have fully performed all of his/her obligations under this Agreement

4 3 2 Franchisee, at the commencement of a Renewal Term, shall satisfy (i) Franchisor's then-current standards applicable to the System, (ii) the requirements of the then-current Franchise Agreement and all other agreements ancillary thereto, including, without limitation, a new Service Vehicle roll-out schedule, which may require Franchisee to acquire additional Service Vehicle(s),

4 3 3 Franchisor's training requirements, including Franchisee's demonstrable ability to perform all services which are part of the System at the time of renewal, (iv) the training and other standards set forth in Franchisor's then-current Manual (as defined in Section 5 1 1 below), and (v) Franchisor's requests for disclosure of or access to information requested by Franchisor to evaluate Franchisee's ability to perform

4 3 4 Franchisee shall not be in default of any provision of this Agreement or any other agreement with Franchisor, its affiliates, subsidiaries, and designees, if any

4 3 5 Franchisee shall have satisfied all monetary obligations to Franchisor, its affiliates, subsidiaries, and designees, if any, and shall have materially met such obligations in a timely and responsible manner throughout the Initial Term

4 3 6 Franchisee and Franchisor shall have executed a mutual general release of any and all present as well as future claims against the parties and their affiliates, subsidiaries, and designees, if any, and their respective officers, directors, shareholders, agents, contractors, and employees, in their corporate and individual capacities, arising out of or related to the Agreement

4 3 7 Franchisee shall be in compliance with Franchisor's then-current qualification and training requirements as set forth in the Manual or elsewhere

4 3 8 Franchisee has paid to Franchisor a renewal fee equal to $5,000

4 4 Renewal Franchise Agreement

If Franchisee wishes to exercise his/her right to enter into a renewal Franchise Agreement, it shall do so by executing Franchisor's then-current form of Franchise Agreement, which agreement shall supersede this Agreement

4 4 1 The terms of any renewal Franchise Agreement may differ from the terms of this Agreement Such differences may include without limitation, a change in the percentage royalty fee and/or minimum royalty fee imposed upon Franchisee for any such Renewal Term, however the fees payable upon renewal will not be greater than the fees that Franchisor then imposes on similarly situated renewing franchisees

4 4 2 Franchisee shall exercise his/her right to renew for a Renewal Term in the following manner

(a) Not less than 180 days, but no more than 240 days prior to the expiration of the Initial Term, Franchisee shall, by written notice, inform Franchisor of his/her intention to exercise his/her renewal right

(b) Within 30 days after receipt of Franchisee's request, if Franchisee has complied with all conditions precedent to renewal set forth above, Franchisor shall deliver to Franchisee a copy of its then-current Disclosure Document (including its then-current Franchise Agreement), and promptly upon the receipt of same Franchisee shall, in writing, acknowledge the receipt thereof

(c) No sooner than 14 days but no more than 20 days after Franchisee receives Franchisor's then-current Disclosure Document (including Franchisor's then-current Franchise Agreement), Franchisee shall, by written notice, notify Franchisor as to whether or not he/she elects to execute Franchisor's then-current form of Franchise Agreement

(d) Promptly upon receipt of Franchisee's notice of his/her election to execute Franchisor's then-current Franchise Agreement, Franchisor shall deliver to Franchisee 3 copies of said Franchise Agreement Promptly upon receipt thereof Franchisee shall execute 3 copies of said Franchise Agreement and return the same to Franchisor

(e) If Franchisee shall fail to perform any of the acts or fail to deliver any of the notices required pursuant to the provisions of subsections (a), (b), (c) or (d) of this Section 4 4 2, or pursuant to the provisions of Section 4 3, in a timely fashion, such failure shall be deemed an election by Franchisee not to renew, and such failure shall cause Franchisee's renewal right to expire without further notice or action by Franchisor

(f) If Franchisee exercises his/her renewal right in the manner described above, and if on the date the Initial Term expires Franchisee has complied with all of the conditions set forth in Section 4 3 hereof, Franchisor shall execute the renewal Franchise Agreement previously executed by Franchisee and shall, promptly after expiration of the Initial Term, deliver 1 fully executed copy of the renewal Franchise Agreement to Franchisee

(g) If Franchisee fails to sign the Renewal Franchise Agreement on the date the Original Franchise Agreement expires or sooner, Franchisee shall be responsible to pay Franchisor $50 per day for every day the Renewal Franchise Agreement is not signed after the Original Franchise Agreement date has expired

4 5 Notice Requirement

If applicable law requires that Franchisor give notice of expiration to Franchisee prior to the expiration of the Initial Term, this Agreement shall be deemed to remain in effect on a month-to-month basis until Franchisor has given to Franchisee that notice of expiration so required and the applicable period required to pass before the notice becomes effective shall have expired

4 6 Refusal to Renew Franchise Agreement

Franchisor can refuse to renew Franchisee's franchise if Franchisee's lease, sublease or other document by which Franchisee has the right to occupy the premises is not extended before the Renewal Term is to take effect to cover the period of the renewal or if Franchisee does not have a written commitment from his/her landlord to renew the lease or sublease for a period at least equal to the Renewal Term Franchisee is required to have a lease, sublease, ownership, or other document by which Franchisee has the right to occupy a premise to operate a Franchised Business out of throughout the duration of any Franchise Agreement with Franchisor Franchisor may also refuse to renew Franchisee's franchise under other circumstances, including, but not limited to, Franchisee's failure to substantially comply with the terms of this Agreement, Franchisee's failure to pay amounts owed to Franchisor when due, or Franchisee's failure to cure of any defaults incurred during the initial term of this Agreement, if applicable

ARTICLE V

DUTIES OF FRANCHISOR

5 1 Confidential Operations Manual and Intranet

5 1 1 Franchisor shall, in conjunction with Franchisor's training program and in conformity with the terms and conditions of this Agreement, provide to Franchisee 1 copy of Franchisor's Confidential Operations Manual (the "**Manual**") Use of any part or all of the Manual shall be only as permitted under this Agreement and during the term thereof, as may be extended from time to time

5 1 2 At Franchisor's option, Franchisor may post the Manual and other communications on a restricted intranet or other website to which Franchisee will have access If Franchisee does so, Franchisee must periodically monitor the site for any updates to the Manual or other standards, specifications and procedures Any passwords or other digital identifications necessary to access the Manual on such a site will be deemed to be part of the Confidential Information Further, Franchisee agrees that he/she will establish the channels of communication with Franchisor and his/her clients as required by Franchisor from time to time, including e-mail, internet and other electronic forms of communication, and

that he/she will acquire and maintain any computer or other components necessary for the transmission of such communications For brand consistency and uniformity, Franchisor shall have the right to control all e-mail addresses used in the operation of the Franchised Business Franchisor may, at its option, assign or designate the e-mail address(es) that Franchisee must use in the operation of the Franchised Business and Franchisee shall reimburse Franchisor for the cost of such e-mail address(es)

5 1 3 Franchisor must establish one or more websites to advertise, market and promote Franchised Businesses, the services they offer and sell, and/or the Franchised Business franchise opportunity When Franchisor establishes such a website, Franchisor will designate a web page within the website for each Franchised Business Franchisor will implement and periodically modify standards for any such website and individual web pages Franchisee will not establish a website for his/her Franchised Business, other than the web page(s) designated to describe Franchisee's Franchised Business which are located within Franchisor's website

5 2 Additional Materials

In addition to any other items offered to Franchisee, Franchisor may from time to time furnish to Franchisee other documents and things comprising Copyrights or Know How, including instructions, data, materials, forms or other information developed by Franchisor in connection with the operation of the System Franchisor shall have the right to incorporate such matters in its Manual and Franchisee shall be required to conduct the operations of the Franchised Business in accordance therewith

5 3 Initial Training

With respect to new franchisees (and not renewal franchisees), within 30 days after the execution of this Agreement, Franchisor will offer and Franchisee will thereafter be required to satisfactorily complete an initial training program (the "**Training Program**") of between 5 and 15 days at Franchisor's "Hunk University" in Tampa, Florida, or at such location(s) as Franchisor shall designate Such initial training program will include operational, management and marketing training pertaining to the System The Training Program will be offered to Franchisee (or its Managing Owner and one of Franchisee's managers only) for a maximum of 2 people Otherwise, attendance by your employees is optional and you must pay us a training fee (the "**Training Fee**") of $500 per person attending training in excess of 2 If the Franchisee is a Business Entity, its duty to complete the Training Program shall be discharged by the completion of such Training Program, to Franchisor's satisfaction, by the Managing Owner Failure to attend the Training Program after registering for a specific Training Program will result in a $300 absence fee All cancellations after registration but before Training must be done 4 weeks in advance of the Training Program, otherwise, Franchisee will be subject to a $300 cancellation fee Franchisor may terminate this Agreement at any time before the close of the third full business day following the end of the Franchisee's attendance at the Training Program if (i) Franchisee (or its Managing Owner) fails to satisfactorily complete the Training Program, or (ii) Franchisor determines, in its sole discretion, either during or upon completion of the Training Program, that Franchisee (or its Managing Owner) is not qualified or otherwise suitable to own and operate the Franchised Business or operate to Franchisor's satisfaction If Franchisor terminates this Agreement based on the foregoing, it will refund the Initial Franchise Fee (without interest) paid to Franchisor under Section 8 1 below, less the amount of any brokers' fees or commissions paid or payable by Franchisor to any third parties in connection with the grant of the franchise to Franchisee, provided Franchisee and its owners have signed and delivered to Franchisor a general release

In addition to the Training Program, Franchisor may elect to provide up to 3 days of additional training at Franchisee's Approved Location within the first 3 months of operations of Franchisee's Franchised Business, and from time to time as Franchisor deems necessary

5 3 1 Franchisor will pay no compensation for any services performed by Franchisee in the course of training Franchisee shall pay all reasonable expenses incurred in connection with and during such training, including, but not limited to, transportation, meals, lodging, wages and other expenses

5 3 2 Franchisor reserves the right to determine the subject matter and content of its initial Training Program and any periodic enrichment or refresher training programs

5 3 3 Franchisor reserves the right to elect or decline to train any number of individuals representing any number of franchises individually, or at the same time

5 3 4 In the event of a valid and complete assignment of the Franchised Business by Franchisee to a third party (as provided for hereafter), Franchisor shall train such third party designated by it in the same manner and under the same circumstances as those described above, except that the new franchisee must pay to Franchisor its then-current training fee for each individual required or designated to be trained (in addition to any fees or other requirements attendant to the assignment)

5 3 5 In the event Franchisee hires any personnel to sell Services pursuant to the requirements of this Agreement and the specifications set forth in the Manual, Franchisee shall be solely responsible for training said personnel For any manager or replacement manager hired by Franchisee during the term of this Agreement, Franchisor may require that such manager be sent to Franchisor's Training Program to be trained directly by Franchisor and its personnel All costs associated with sending the manager to the Training Program, including the costs of the program itself, shall be borne by Franchisee The manager must complete the Training Program to Franchisor's satisfaction Before any manager may begin to act in a management role in Franchisee's Franchised Business, the manager must be reviewed and approved by Franchisor

5 3 6 Franchisee is solely responsible for training all of its employees and ensuring they are fully trained to perform their duties Franchisor does not require Franchisee's employees to attend its training programs

5 3 7 Franchisor may waive the training requirements of any manager if it shall determine, in its sole discretion, that any such manager has the skill, experience and/or training necessary to operate in accordance with the System

5 4 Additional Assistance and Training

Franchisor shall provide such additional advisory assistance and training as Franchisor deems advisable in the operation of the System, on such terms and conditions as Franchisor determines and sets forth in its Manual or otherwise Franchisor may, in its sole and exclusive discretion, cause its representatives to telephone or visit Franchisee from time to time for the purpose of rendering advice and consultation with respect to the operation of the Franchised Business, assessing Franchisee's overall performance and determining whether Franchisee is conducting the Franchised Business in compliance with the standards of the System Franchisee shall comply with all such requests and visitations, and provide all information requested

If Franchisee requests additional training, Franchisee shall reimburse Franchisor for its costs in providing such training Franchisor will determine the cost on a per person basis based upon the instructor's fee and the travel, lodging, food and materials costs associated with the training topic

5 5 Enrichment Training

Franchisor reserves the right to require Franchisee to participate in a form of enrichment training if the Franchised Business is not performing satisfactorily Franchisee's participation in enrichment training shall be at Franchisee's sole expense Franchisee must pay Franchisor an enrichment training fee (the "**Enrichment Training Fee**") of $500 per person Enrichment training may include, but is not limited to, that (1) Franchisee must attend additional training at Franchisor's headquarters, (2) Franchisor may send 1 of its trainers to the Franchised Business to provide additional training on-site, (3) Franchisor may require Franchisee to visit another Franchised Business for additional training and/or to observe its operations, and/or (4) Franchisor may require Franchisee to participate in periodic conference calls Franchisee's Franchised Business will be deemed to not be performing satisfactorily if (a) it is not meeting the required minimum performance standards, including generating sufficient Gross Sales to meet the Minimum Annual Royalty required herein, (b) the Franchised Business has suffered negative growth for 6 or more consecutive months, (c) Franchisee has excessive reporting problems (including failure to comply with Franchisor's reporting procedures and/or late reporting for 2 or more consecutive periods), (d) Franchisee has incurred a high level of damages or customer complaints, or (e) Franchisee is not responding to calls according to Franchisor's requirements (including calls from Franchisor, the SLC and customers) Unsatisfactory performance of the Franchised Business is a default under this Agreement and Franchisor may terminate this Agreement and your Franchised Business

Franchisor shall provide Franchisee with notice that the Franchised Business is not performing satisfactorily, the nature of the default and the actions Franchisee must take to cure the default Franchisee shall have 3 months to complete the curative actions Franchisor designates and bring the Franchised Business up to Franchisor's performance requirements If Franchisee is unable to do so within this 3-month period, Franchisor shall have the right to terminate this Agreement

Franchisor may terminate this Agreement immediately upon notice (a) at any time that Franchisee has more than 3 open customer complaints that have not been resolved to Franchisor's satisfaction within 10 days, and/or (b) if Franchisee has multiple negative uncured online reviews, including, but not limited to, Angie's List, Yelp, BBB, Listen 360, Google Reviews, CCF that have not been resolved to Franchisor's satisfaction

5 6 Annual Convention

On an annual basis and at Franchisor's discretion, at Franchisee's cost and expense (including Franchisor's then-current annual convention fee, currently estimated to be $500 per person), Franchisee or 1 member of Franchisee's staff is required to attend Franchisor's annual convention at a location determined by the Franchisor Attendance at this convention is required, unless failure to attend is due to an illness or act of God If Franchisee fails to attend any convention, and such attendance is not excused by Franchisor, Franchisee shall pay to Franchisor a missed convention fee in the amount of $500, which shall be in addition to the convention registration fee If Franchisee has an unexcused absence from a required convention a second time, Franchisor shall have the right to terminate this Agreement If Franchisee fails to attend a convention at least once during the term of this Agreement, Franchisor shall have the right to not grant a renewal of this Agreement

5 7 Approved Suppliers

Franchisor shall, at all times during the term of this Agreement, provide information pertaining to sources of supply of any products, materials, supplies and services which may be used in the System

5 8 Software

5 8 1 Franchisor or a third party will license to Franchisee the Software, as may be made available from time to time and made part of the System In connection therewith, Franchisee may be required to execute a software license agreement provided by the third-party vendor and such other license agreements which may be applicable to additional or revised software used in the System, and shall be required to pay any initial licensing fees Franchisee shall not be required to pay a separate fee related to upgrades or maintenance of the Software Any and all warranties for such Software shall be provided by the third-party vendor and not by the Franchisor

5 8 2 In addition to the other training specified in this Agreement, Franchisor or its designee will provide during the term of this Agreement, at Franchisee's request and subject to an additional charge to Franchisee, technical advice on the use of the Software as Franchisor, in its sole discretion, determines to be reasonably necessary

5 8 3 Franchisee agrees to participate in any profitability benchmarking program(s) developed or designated by Franchisor from time to time during the term of this Agreement and further agrees to provide any and all information requested by Franchisor in connection therewith Profitability benchmarking systems are designed to measure the financial performance of franchisees and the overall franchise system, and may be used to collect and prepare financial performance information for Franchisor's franchise disclosure document or for any other purpose There are no restrictions on Franchisor's rights to use information collected or obtained in connection with any profitability benchmarking program(s) or contained in any other reports or information submitted to Franchisor under the terms of this Agreement or the Manual Failure to provide any financial information may result in you being required to enroll in the CHC Bookkeeping Program

5 9 Computer Hardware

Franchisor shall specify the particular computer hardware and peripheral equipment which Franchisee must purchase or lease and maintain during the term of this Agreement Franchisee shall also apply for and maintain such credit card, debit card and other non-cash payment systems as Franchisor designates or approves Franchisor may require Franchisee to maintain service and support contracts for the computer system and/or any credit card, debit card or other non-cash payment system, and to periodically update, upgrade or make other changes that Franchisor requires Franchisor reserves the right to designate the vendor(s) for such items Franchisor reserves the right to receive commissions, rebates or other benefits from any vendors or suppliers, for its sole and exclusive benefit

5 10 Pricing

Franchisor reserves the right, at any time and from time to time, to establish maximum, minimum, or other pricing requirements on the prices that Franchisee may charge clients for products or services, to the fullest extent allowed by applicable law, which may include regional and/or demographic variations Franchisor will notify Franchisee of any maximum, minimum or other pricing requirements (including, without limitation, temporary promotional pricing), which will be deemed effective upon receipt, unless otherwise stated in the notice Franchisee is obligated to inform Franchisor of (i) all prices charged for services and products sold by Franchisee and (ii) any modifications made to any suggested pricing

5 11 Brand Development Fund Administration

Franchisor or its designee shall administer the Brand Development Fund as is more fully described in Section 11 2 hereof

5 12 Force Majeure

Delays in the performance by either party or its designee of any obligations hereunder which are not the fault of or within the reasonable control of such party including, without limitation, fire, flood, natural disasters, acts of God, governmental acts or orders, or civil disorders, shall not give rise to a default by such party hereunder Rather the time of performance of any such obligations will be extended for the period of such delay or for such other reasonable period of time as may be appropriate in the circumstances

5 13 Intranet

Franchisor may produce and distribute communications to its franchisees via its intranet system and all franchisees must subscribe to this intranet service To access Franchisor's intranet, Franchisee will be provided with a password This password is to be considered confidential information and is to be revealed only to those of Franchisee's employees who must have access to the intranet In the event Franchisee loses the password or the password is otherwise compromised, Franchisee shall notify Franchisor of such event as soon as practicable, and Franchisor will take steps necessary to provide Franchisee with a new password for access to the intranet

5 14 First Contact Sales & Loyalty Center

5 14 1 Franchisor or its designee will own, operate and maintain a national First Contact Sales & Loyalty Center ("**SLC**"), which will operate for the benefit of all franchisees in the System and which Franchisee must use The SLC will derive the majority of Franchisee's appointments from its advertising and networking The SLC will use its best efforts to maintain a staff sufficient to generate and drive business to its franchisees Franchisee shall be required to pay applicable Support Fees and Appointment Fees, as described in Sections 8 4 and 8 5, for the services provided by the SLC Franchisor reserves the right to discontinue operation of the SLC and, in such event, the Support Fees and Appointment Fees shall no longer apply

5 14 2 All business generated by Franchisee within his/her Designated Territory and all inquiries made of Franchisee from potential clients must be recorded in the required client loyalty Software not later than the end of the royalty reporting period in which such business was generated or inquiry was made In addition, Franchisee shall provide such information to the SLC not later than the end of such reporting period for scheduling, tracking and follow-up with the client, including client inquiries received via the Franchisor's "800" number and/or website as well as inquiries and requests for service provided to Franchisee directly

5 14 3 Franchisee acknowledges and agrees that the SLC is intended to provide a uniform process for placement of orders for Services and handling of clients throughout the System, and to maintain a complete client database which provides management reports to franchisees Franchisor undertakes no obligation to ensure that any particular franchisee (including Franchisee) benefits on a pro- rata basis from the SLC

5 15 Refresher Training

5 15 1 To develop and maintain cooperation and friendship with other franchisees, to enhance the ability to operate the Franchised Business properly, to learn the most recent developments in business methods for the Franchised Business and to take instructions from Franchisor on new or revised procedures or requirements, Franchisor reserves the right to require Franchisee to attend

an annual refresher training course conducted by Franchisor for franchisees, to be held at a location to be determined by Franchisor

5 15 2 Franchisee will pay the Franchisor's then-current charge for refresher training (currently $500), and Franchisee shall be responsible for his/her own travel expenses, meals and lodging, including those of his/her manager(s) However, Franchisor shall be under no obligation to conduct such program until, in Franchisor's sole and absolute discretion, it is advisable to do so

5 15 3 Franchisee's manager(s) must attend and complete, at Franchisee's expense, all training sessions described herein, in addition to Franchisee and to the same extent as Franchisee

5 16 Franchisee Directory

To assist in the efficient operation of the Franchised Business, Franchisor shall provide, and Franchisee shall assist Franchisor in the continuous development and maintenance of, the following directory for use solely within the System

5 16 1 Franchisee Directory To assist Franchisee in maintaining contact with other franchisees, Franchisor shall publish, from time to time, a directory of the names, addresses and telephone numbers of every franchisee in the System Franchisor reserves the right to post such directory on Franchisor's intranet

5 17 Service Requests

In the event Franchisor receives any service requests via its website, or by other means, which are from potential clients who are physically located within the Designated Territory of any franchisee, Franchisor shall direct such orders to any of the franchisees owning such Designated Territory If Franchisee is unable to complete such request for service for the client, Franchisor shall have the right to fulfill such order itself or direct same to another franchisee, without compensating Franchisee for his/her failed efforts

5 17 1 Franchisee shall not directly solicit or service any clients outside of the Designated Territory without Franchisor's prior written consent If the SLC receives a request for Services from a client within an unassigned Zone, but said Zone is within a radius of 15 miles from Franchisee's Designated Territory, the Franchisor may require Franchisee to provide the Services to said client and to pay the Appointment Fee referenced in Section 8 5 If the client is outside the 15-mile radius of Franchisee's Designated Territory, Franchisee shall have the option whether or not to provide Services to said client

5 18 Supply Manual

Franchisor will publish and distribute from time to time a supply manual designating suggested and/or required sources of supply for forms, signs, cards, stationery and other items and/or services necessary to operate the Franchised Business The suggested and/or required source of supply for items and services may be Franchisor, an affiliate of Franchisor, or an independent supplier Franchisee may purchase supplies or services either from a source of supply suggested by Franchisor or from any other supplier which can first demonstrate to the satisfaction of Franchisor that its products or services meet the specifications established from time to time by Franchisor, unless Franchisor has designated a single approved supplier (which may be Franchisor or its affiliate) for a product or service, or has limited the number of approved supplier for a particular product or service The supply manual may, at Franchisor's option, be included as part of the Manual

5 19 Preferred Vendor Program

In addition to Franchisor's approval of suppliers, Franchisor may develop certain programs and terms under which Franchisor, its affiliates, certain franchisees or others receive certain negotiated benefits or terms from approved or designated suppliers ("**Preferred Vendor Programs**") Franchisee shall follow all of Franchisor's policies and procedures for participation in or termination of Preferred Vendor Programs ("**Program Rules**") Franchisor can refuse or terminate Franchisee's participation in Preferred Vendor Programs without terminating this Agreement Program Rules may require Franchisee to agree, and Franchisee shall agree, to only place or display in connection with the Franchised Business such signs, emblems, lettering, logos and display materials that Franchisor periodically approves or prescribes in connection with Preferred Vendor Programs Franchisor may, in connection with Preferred Vendor Programs, designate one or more approved suppliers as an exclusive or the exclusive supplier or suppliers of types, models or brands of any products or services that Franchisor approves as meeting its standards and specifications for College Hunks Hauling Junk and/or College Hunks Moving businesses, and Franchisor may require such preferred vendor(s) or other preferred vendors to pay to Franchisor or its affiliates, in a manner Franchisor designates, rebates, commissions or other benefits as a condition of Franchisor's designation of them as preferred vendors or permission for them to serve as an approved supplier for the System (collectively, "**Preferred Vendors**") Franchisor may require, and certain approved suppliers that Franchisor designates as Preferred Vendors may require, that Franchisee agree to enter into certain agreements with them (subject to Franchisor's approval) in connection with their designation as Preferred Vendors or approved suppliers or Franchisee's participation in the Preferred Vendor Program (the "**Preferred Vendor Agreements**") Franchisor may require that Franchisor be a party to such Preferred Vendor Agreements with Preferred Vendors Franchisee acknowledges and agrees that (a) monies or other remuneration that Franchisor receives in connection with Preferred Vendor Programs or other benefits it receives from Preferred Vendors or approved suppliers is fair and appropriate compensation to Franchisor in connection with its active efforts to evaluate them as Preferred Vendors or approved suppliers, Franchisor's ongoing efforts to monitor and evaluate whether they continue to meet Franchisor's requirements for participation as Preferred Vendors or approved suppliers, and Franchisor's administration of Preferred Vendor Programs, and (b) such monies or remuneration are fully earned by Franchisor Franchisor and its affiliates may retain all revenue and other remuneration they receive from Preferred Vendors and approved suppliers without restriction (unless the supplier or vendor requires otherwise) Franchisor, in its sole judgment, may concentrate purchases with one or more Preferred Vendors or approved suppliers to obtain lower prices, advertising support and/or services for the benefit of Franchisor, its affiliates, and/or franchisees, or for any other reason that Franchisor deems appropriate, and establish supply facilities or servicing capabilities owned by Franchisor or its affiliates which Franchisor may designate as a Preferred Vendor or approved supplier In such instances, Franchisor may limit the number of Preferred Vendors or approved suppliers with whom Franchisee may deal, designate sources that Franchisee must use, and refuse any request by Franchisee for another approved supplier or preferred vendor of any applicable product or service

5 20 Artwork and Templates

Franchisor will provide Franchisee initially and periodically throughout the term of this Agreement with electronic artwork and templates for various documents Franchisee will use in the operation of the Franchised Business and for advertising purposes Franchisor reserves the right to require Franchisee to reimburse Franchisor's expenses to provide the artwork and templates to Franchisee

5 21 Assistance with Dispute Resolution

If Franchisor becomes aware of a dispute between Franchisee and 1 or more third parties relating to the Franchised Business, Franchisor may take 1 or more of the following actions

5 21 1 Franchisor may take no action other than to instruct Franchisee to resolve the dispute in a manner that will not cause injury to the College Hunks Hauling Junk® and/or College Hunks Moving® brands, System or Proprietary Marks, or the goodwill associated therewith

5 21 2 Franchisor may assist Franchisee and such third parties to resolve the dispute if Franchisor believes that its assistance will constructively resolve such dispute

5 21 3 If Franchisor believes that the dispute cannot or will not be resolved and that the dispute will or may damage the College Hunks Hauling Junk® and/or College Hunks Moving® brands, System, Proprietary Marks and/or the goodwill associated therewith, or if Franchisee has not been able to resolve such dispute and Franchisor must resolve the dispute on Franchisee's behalf, Franchisor may, with advance written notice to Franchisee, resolve the dispute directly with the third party by paying any damages alleged and supported by documentary evidence by the third party, including without limitation attorneys' fees, and Franchisee agrees to indemnify Franchisor for any such action taken or payment made Franchisee shall reimburse all costs Franchisor incurs related to this settlement, which Franchisee agrees to pay within 14 days after notice of demand therefor Franchisor may, but is not obligated to, consult with a designated franchisee group and request that such group provide an opinion regarding resolution of the dispute based upon the facts of the dispute Franchisor is not obligated to comply with any opinion propounded by such group In providing the advisory group with facts related to the dispute, Franchisor shall use its best efforts to keep confidential all information relating to the identities of the disputants

ARTICLE VI

CONFIDENTIAL OPERATIONS MANUAL

6 1 Conduct of Franchised Business

In order to protect the reputation and goodwill of the Franchisor, the System, and Proprietary Properties, and to maintain requisite operating standards under the Proprietary Marks, Franchisee shall conduct his or her Franchised Business in strict accordance with the provisions, standards, and procedures set forth in this Agreement and in the Manual

6 2 Confidential Information

Franchisee shall at all times treat the Manual, any other manuals created for or approved for use in the operation of the Franchised Business, and the information contained therein as confidential Know How, and shall use all efforts to maintain such information as secret and confidential in accordance with the terms and conditions governing Know How and Copyrights, including, without limitation, the following Franchisee shall not, at any time, without the Franchisor's prior written consent, copy, duplicate, record, or otherwise reproduce the foregoing materials, in whole or in part, nor otherwise make the same available to any unauthorized person The persons who are authorized shall include Franchisee's management personnel who have executed the Employee Non-competition and Non- Disclosure Agreement that will not otherwise contain any terms or conditions of employment that will be provided ancillary to this Franchise Agreement

6 3 Sole Property of Franchisor

The Manual shall at all times remain the sole property of the Franchisor, and shall be returned to the Franchisor immediately upon expiration or termination of this Agreement

6 4 Revisions

The Franchisor may, from time to time, revise the contents of the Manual when it reasonably considers such revisions to be necessary to improve or maintain the standards of the System and Franchisee expressly agrees to comply with each new or changed standard, provided, however, that such revisions are

made for all franchisees and are reasonable in nature Any revisions to the contents of the Manual shall be deemed effective 7 days after the date of mailing or providing same electronically of such revisions to Franchisee, unless otherwise specified by the Franchisor

Franchisee acknowledges the contents of the Manual and any revisions or modifications made thereto shall constitute additional provisions of and modifications to this Agreement as if fully set forth herein

6 5 Franchisee to Keep Current

Franchisee shall at all times ensure that his/her copy of the Manual, if such Manual is provided to Franchisee in hard copy format, is kept current and up to date, and in the event of any dispute as to the contents of the Manual, the terms of the master copy of the Manual maintained by the Franchisor at its home office shall be controlling

6 6 Modification of Standards

Franchisor and Franchisee acknowledge there may be circumstances that require the Franchisee to modify the implementation of the standards and guidelines set forth in the Manual The Franchisor and Franchisee recognize the Manual is an operational guideline for conducting the Franchisee's business operations and, although the Franchisee shall use his/her best efforts to faithfully follow the standards and guidelines set forth in the Manual, the Franchisor shall be permitted to modify the operational standards and guidelines so that Franchisee's business is best served To the extent any of the standards of the System or other resources in the Manual address personnel or employment matters, those are not mandatory but are merely recommendations, suggestions or guidelines System standards do not include any mandatory requirements on your employee's wages, working conditions, hours, staffing levels, shift timing or other terms of employment, but may specify uniforms and appearance to meet brand standards

6 7 Improvements

To the extent that any improvements, inventions or discoveries are made by Franchisee, or Franchisee's employees or agents, during the course of this Agreement and relating to the Proprietary Properties or System ("**improvements**"), such improvements shall be deemed assigned to and owned by Franchisor for the purpose of improving the entirety of the franchised network and the provision of services in accordance with the System All documents and other information concerning any such improvements shall be disclosed to Franchisor promptly after creation or invention Franchisor shall, in its sole discretion, decide whether such improvements are worthy of inclusion in the System and the best and most practical method of implementation and protection Franchisee shall execute all documents reasonably necessary to perfect Franchisor's ownership in and to any such improvements and shall cooperate with Franchisor in the creation, implementation, use and protection thereof

ARTICLE VII

PROPRIETARY MARKS, TRADE NAMES AND COPYRIGHTED MATERIALS

7 1 License

The license granted in Section 2 1 hereof does not grant Franchisee any right, title or interest, at law or in equity, in or to any of the Proprietary Properties, including the Proprietary Marks, Copyrights, and Know How, except as provided by said license Further, such license applies only to those portions of the Proprietary Properties which have been, or may be, designated in writing by Franchisor for use by Franchisee in conjunction with the operation of the Franchised Business Franchisee shall not represent to others, or conduct himself/herself in any manner that might indicate to others, that he/she possesses any other legal or equitable rights in or to the Proprietary Properties by virtue of the license granted hereunder Execution of this Agreement by Franchisee shall further set forth Franchisee's consent that the Proprietary Marks, Copyrights and Know How are valid and enforceable (without defense or recourse) Franchisee represents and warrants that he/she will not attack the validity or enforceability of any of the Proprietary

Properties, or assist another in any such attack, during the course of this Agreement or thereafter The terms of this paragraph shall survive termination or expiration of this Agreement for any reason, in addition to any of the other remedies or survival provisions otherwise contained herein

7 2 Quality Standards

Franchisee agrees that the nature and quality of all services rendered by Franchisee in connection with Franchisor's Proprietary Marks, all goods sold by Franchisee under Franchisor's Proprietary Marks, and all related advertising, promotional and other related use of Franchisee's Proprietary Marks by Franchisee shall conform to standards set by and be under the control of Franchisor

7 3 Quality Maintenance

Franchisee agrees to cooperate with Franchisor in facilitating Franchisor's control of the nature and quality of Franchisor's Proprietary Marks, to permit reasonable inspection of Franchisee's operation, and to supply Franchisor with specimen of all uses of Franchisee's Proprietary Marks upon request Franchisee shall comply with all applicable laws and regulations and obtain all appropriate government approvals pertaining to the sale, distribution and advertising of services and goods which may be covered by this Agreement

7 4 No Act in Derogation

Franchisee shall not do or permit any act in derogation of any of the rights of Franchisor to its Proprietary Properties

7 5 No Dispute

Franchisee shall not contest or dispute Franchisor's title to any part or all of the Proprietary Properties

7 6 Use of Proprietary Properties

Franchisee shall use the Proprietary Properties solely in accordance with this Agreement and the Manual

7 6 1 Franchisee agrees to use Franchisor's Proprietary Marks only in the form and manner and with appropriate legends as prescribed from time to time by Franchisor, and not to use any other service marks or trademark in combination with any of Franchisor's Proprietary Marks without prior written approval of Franchisor

7 7 Identification of Franchisee

Franchisee shall not use the Proprietary Properties, or any words, phrases, symbols, trade dress, colors, logos or materials which Franchisor deems confusingly similar thereto, in his/her trade name (or for any other purpose) without Franchisor's prior written approval In that connection, Franchisee shall identify himself/herself to the public as doing business as College Hunks Hauling Junk® and/or College Hunks Moving® as designated on the cover of this Agreement

7 7 1 During the term of this Agreement and any renewal or extension hereof, Franchisee shall identify himself/herself as the independent owner of the Franchised Business in conjunction with any use of the Proprietary Marks, including, but not limited to, on invoices, order forms, receipts, business stationery, contracts with all third parties or entities, as well as the display of such notices in such content and form and at such conspicuous locations as Franchisor may designate in writing

7 8 Discontinuance of Use

In addition to all post-termination provisions contained in this Agreement, Franchisee agrees that after the expiration or termination of this Agreement, Franchisee shall discontinue the use of the cellular telephone number(s) of the Franchised Business and shall not advertise in any telephone directory under the names College Hunks Hauling Junk® or College Hunks Moving® or any other name, phrase or logo used by the System, discontinue use of any or all of the Proprietary Properties, and not use any words, phrases, logos, designs, colors, trade dress or the like that in any manner may cause client confusion, or resemble, be confusingly similar to, or be a colorable imitation of the Proprietary Properties Additionally, upon demand of the Franchisor, Franchisee shall direct his/her local telephone company to transfer such telephone number(s) to Franchisor or its designee by utilization of the Conditional Assignment of Telephone Numbers and Listings and Internet Addresses to be executed by Franchisee, the form of which is annexed hereto as Exhibit "C " If Franchisee fails promptly to direct his/her telephone company to effect such transfer, Franchisee hereby irrevocably appoints Franchisor as his/her attorney-in- fact to so act

7 9 Franchisor to Defend

If Franchisee receives notice of or learns of any actual or potential claim, suit or demand that has been or may be asserted against him/her or Franchisor involving any alleged infringement, unfair competition, or similar matter relating to the use of the Proprietary Properties, Franchisee shall promptly notify Franchisor of any such actual or potential claim, suit or demand Thereupon, Franchisor shall promptly take such action as it may deem necessary in its sole discretion to address any such claim Franchisor shall have the sole right to defend compromise or settle any such claim, using attorneys of its own choosing, and Franchisee agrees to cooperate fully with Franchisor in connection with the defense of any such claim Franchisor shall protect, defend and indemnify Franchisee in connection with such claim unless the claim, suit or demand arises out of or relates to Franchisee's use of the Proprietary Properties in violation of this Agreement, the Manual or otherwise

7 10 Notification of Infringement

7 10 1 If Franchisee learns of any unauthorized use of the Proprietary Properties, Franchisee shall promptly notify Franchisor of the facts relating to such alleged infringing use Franchisor shall, in its discretion, determine whether or not to take any action with respect to such information Franchisee shall have no right to take any action with respect to any unauthorized use of the Proprietary Properties without the prior written consent of Franchisor

7 10 2 Franchisee agrees to notify Franchisor of any unauthorized use of Franchisor's Proprietary Marks by others promptly as it comes to Franchisee's attention Franchisor shall have the sole right and discretion to bring infringement or unfair competition proceedings involving Franchisor's Proprietary Marks

7 11 Limited License

Franchisee understands and agrees that the limited license to use the Proprietary Properties granted hereby applies only to such properties as are designated by Franchisor, together with those which may hereafter be designated by Franchisor in writing Franchisee expressly understands and agrees that he/she is bound not to represent in any manner that he/she has acquired any ownership or equitable rights in any of the Proprietary Properties by virtue of the limited license granted hereunder, or by virtue of Franchisee's use or creation of any of the Proprietary Properties, or upon any other basis

7 11 1 If it becomes advisable at any time, in the discretion of Franchisor, to modify or discontinue use of any aspect of the Proprietary Properties and/or to adopt or use one or more additional or substitute items, then Franchisee shall be obligated to comply with any such instruction by Franchisor will

not be liable to Franchisee for any expenses, losses or damages sustained by Franchisee as a result of any such addition, modification, substitution or discontinuation, and Franchisee covenants not to commence or join in any litigation or other proceeding against Franchisor for any of these expenses, losses or damages

ARTICLE VIII

PAYMENTS TO FRANCHISOR

8 1 Initial Franchise Fee

Initial Franchise Fee – Standard Zone Upon execution of this Agreement and to initiate the franchise rights conveyed hereunder, Franchisee shall pay to Franchisor an Initial Franchise Fee of

$_____ If Franchisee is purchasing a standard Zone and either the College Hunks Hauling Junk® or the College Hunks Moving® concept (but not both), the Initial Franchise Fee payable hereunder is $40,000 If Franchisee is purchasing both the College Hunks Hauling Junk® and the College Hunks Moving® concepts, then the Initial Franchise Fee payable hereunder is $50,000 If Franchisee is a qualified United States veteran, and provided that Franchisee shall at all times own a minimum of 51% of the Franchised Business, Franchisor shall reduce the Initial Franchise Fee by $5,000

Initial Franchise Fee – Small Market Zone Franchisee may elect to purchase a small market Zone, in which event the Initial Franchise Fee payable hereunder will be calculated as 15¢ per person in the Zone, provided, however, that in no event shall the Designated Territory include less than 5,000 people and provided, further, that the Franchisor has the right to require Franchisee to purchase a larger number of qualified households for the Zone if Franchisor believes, using its reasonable business judgment, that the population is insufficient to sustain a reasonable volume of business In addition, Franchisee may choose to purchase additional areas at the same rate (designated by zip code) if these areas are available

Initial Franchise Fee – Conversion Franchise If Franchisee is currently in a similar business and wishes to convert his/her existing business to a Franchised Business, Franchisee shall pay an Initial Franchise Fee in the amount of $_____ The Initial Franchise Fee that Franchisee shall pay hereunder is calculated as the then-current Initial Franchise Fee of $40,000 less 10% of Franchisee's total revenue from its existing business in the previous year, provided, however, that in no event shall such discount exceed $30,000, making the minimum Initial Franchise Fee $10,000

The Initial Franchise Fee (less any amount credited for any deposit heretofore paid by Franchisee to Franchisor), regardless of which type of franchise or number of Zones purchased (as described below), is payable in a lump sum upon execution of this Agreement, is deemed fully earned upon execution of this Agreement, and is not refundable, in whole or in part, except as otherwise provided in Section 5 3 above The Initial Franchise Fee is, in part, compensation to grant Franchisee a Zone within which to operate his/her Franchised Business, which Zone will be Franchisee's Designated Territory

8 1 1 In the event Franchisee wishes to purchase 1 or more additional Zone(s), either simultaneous with the execution of this Agreement or at any time during the term of this Agreement, such Zone(s) must be contiguous to Franchisee's Designated Territory and Franchisee must pay the additional fee specified in Section 8 1 2 or 8 1 3, as applicable, and must also meet Franchisor's then-current qualifications for franchisees who wish to own multiple Zones Franchisor does not grant Franchisee any options or rights of first refusal to acquire additional Zone(s) after the Franchise Agreement is signed Franchisor reserves the right to grant or deny the sale of additional Zone(s) to Franchisee, in Franchisor's sole discretion Franchisor does not guarantee the success of any Zone, and Franchisor will not reserve a Zone for future purchase Franchisee will be required to operate at least 1 office per 4 Zones that it owns and must sign a separate Franchise Agreement for each office Thus, the maximum number of Zones that Franchisee may own and operate pursuant to this Agreement shall be 4 Unless otherwise agreed in writing

by Franchisor, Franchisee will not be eligible to purchase additional Zone(s) during the term of this Agreement unless

(a) Franchisee is in full compliance with its obligations under this Agreement and all other agreements relating to the Franchised Business (including, without limitation, any financing documents and vehicle or equipment leases), and any other agreements between Franchisee (or its affiliates) and Franchisor (or its affiliates),

(b) Franchisee completes and submits Franchisor's then-current form of franchise expansion application,

(c) Franchisee satisfies Franchisor's then-current expansion qualifications and criteria, including, without limitation (i) minimum specified levels of "liquid capital" (as defined in Section 9 1 3) for the entirety of the Designated Territory (including Franchisee's existing Zone(s) and the additional Zone(s) to be purchased), and (ii) minimum specified levels of gross revenues for each of Franchisee's existing Zone(s), and

(d) Franchisee submits an annual financial statement for the Franchised Business for the most recently completed fiscal year, a year-to-date profit and loss statement, a balance sheet as of the end of the calendar month preceding the date of Franchisee's request, and current personal net worth statements for Franchisee's owners, in form and substance reasonably satisfactory to Franchisor

If Franchisee purchases any additional Zone(s) after Franchisee commences operations of the Franchised Business, as a condition to Franchisee's request, Franchisor may require Franchisee to terminate this Agreement and execute Franchisor's then-current form of Franchise Agreement covering all Zones The term of the new Franchise Agreement may, at Franchisor's sole discretion, be modified to expire when this Agreement would have expired under Section 4 1 above

8 1 2 If Franchisee elects to purchase additional standard size Zones at the same time this Agreement is executed, then Franchisee must pay Franchisor a refundable deposit of $10,500 The total cost of an additional Zone is $35,000 The remaining $24,500 will become due when the additional Zone is granted approval for commencement of operations Franchisee may request approval for commencement of the second contiguous Zone if they have been operating the first Zone for a minimum of 6 months To do so, Franchisee must (i) be in good standing under the Franchise Agreement and all other agreements with Franchisor, (ii) complete Franchisor's then-current form of franchise expansion application that may be posted in our Operations Manual or otherwise made available, and (iii) meet Franchisor's then-current criteria, including, but not limited to, demonstrated financial ability and minimum revenue/performance criteria for Franchisee's existing Zone(s) As of the date of this disclosure document, we require (a) minimum revenue of at or above the average 6 month per population revenue figure based on the prior year's franchisees ramp up data and (b) at least 6 months' available capital or financing (based on Franchisee's reasonable estimates) Otherwise, we will refund the deposit of $10,500 and Franchisee will forfeit their ownership rights to that Zone We may periodically change the qualifications and criteria for purchasing additional Zones

8 1 3 If Franchisee elects to purchase additional Zones after this Agreement is executed and while the Franchised Business is being operated, then the cost for each additional Zone shall be $40,000 or Franchisor's then- current additional Zone fee, whichever is higher, for each additional Zone Franchisee purchases The additional Zone fee(s) shall be non-refundable To do so, Franchisee must (i) be in good

standing under the Franchise Agreement and all other agreements with Franchisor, (ii) complete Franchisor's then-current form of franchise expansion application that may be posted in our Operations Manual or otherwise made available, and (iii) meet Franchisor's then-current criteria, including, but not limited to, demonstrated financial ability and minimum revenue/performance criteria for Franchisee's existing Zone(s) As of the date of this disclosure document, we require (a) minimum revenue of at or above the average 6 month per population revenue figure based on the prior year's franchisees ramp up data and (b) at least 6 months' available capital or financing (based on Franchisee's reasonable estimates) We may periodically change the qualifications and criteria for purchasing additional Zones

8 1 1 If Franchisee elects to purchase an additional fraction of a Zone, whether at the same time this Agreement is executed or during the term of this Agreement, then the cost for such fractional Zone shall be $15,000 for each additional 100,000 people The additional fractional Zone fee shall be payable upon execution of this Agreement or upon Franchisor's approval of Franchisee's purchase of the additional fractional Zone, as applicable, and is non-refundable, except as otherwise provided in Section 5 3 above Application and approval will follow the same process as outlined above in Sections 8 1 2 and 8 1 3

8 1 4 During the term of this Agreement, and if Franchisee has chosen to purchase only one of the business concepts initially, Franchisee may purchase the other business concept for an additional fee of $20,000, provided the other concept is then available for purchase within the Designated Territory and has not been sold to another franchisee, and further provided that Franchisee satisfies Franchisor's then-current criteria This additional concept fee is payable when Franchisor approves Franchisee to purchase the additional concept and is not refundable If Franchisee is not in good standing under this Agreement, Franchisee will not have the option to purchase the additional concept

8 1 5 All of Franchisee's Zones (or fractional Zones) which together will comprise the Designated Territory shall be listed on Exhibit "A" hereto, which Exhibit shall be amended from time to time in the event Franchisee purchases additional Zones (or fractional Zones), except that Franchisor, in its sole discretion, may require Franchisee to terminate this Agreement and sign Franchisor's then-current form of Franchise Agreement as provided in Section 8 1 1, if Franchisee purchases additional Zone(s) after Franchisee commences operations of the Franchised Business

8 1 6 In the event Franchisee obtains from a lender a loan ("**Loan**") in which funding is provided with the assistance of the United States Small Business Administration ("**SBA**"), Franchisee agrees to execute any additional documentation required as a condition for obtaining the SBA assisted financing

8 2 Continuing Royalty Fee, Minimum Annual Royalty

8 2 1 In addition to the Initial Franchise Fee, Franchisee shall pay Franchisor a semi-monthly Continuing Royalty Fee equal to 7% of the Gross Sales generated, billed but not collected, earned, derived and/or received by the Franchised Business ("**Continuing Royalty Fee**") for the prior period's operations The Continuing Royalty Fee is payable on the 5th and 20th days of each month, or the next business day if either such day is not a business day The Continuing Royalty Fee payable on the 5th day of each month is calculated based on Gross Sales generated in the period from the 16th day of the previous calendar month to the last day of such month The Continuing Royalty Fee payable on the 20th day of each month is calculated based on Gross Sales generated in the period from the 1st day through the 15th day of the current month

8 2 2 Notwithstanding Section 8 2 1 above, if Franchisee provides Services outside of the Designated Territory, and the provision of such Services is 30% or more of the total Gross Sales of the

Franchised Business during any continuous 3-month period, but Franchisee does not wish to purchase the additional Zone pursuant to Section 8 6 (or does not qualify to purchase the additional Zone), then Franchisee shall pay Franchisor an additional Continuing Royalty Fee equal to 5% of all Gross Sales from Services provided outside the Designated Territory, which shall be in addition to the standard Continuing Royalty Fee of 7% of Gross Sales under Section 8 2 1 In the event Franchisee qualifies and elects to purchase the additional Zone, then the amount of the additional Continuing Royalty Fees paid to Franchisor pursuant to this Section 8 2 2 will be credited toward the cost of the additional Zone, up to the amount of the purchase price for such Zone These additional Continuing Royalty Fees are otherwise not refundable under any circumstances Franchisee's failure to stop providing Services outside the Designated Territory upon notice from Franchisor shall constitute a material default of this Agreement Nothing in this Section or any other provision of this Agreement shall be construed to allow Franchisee to provide Services outside the Designated Territory without Franchisor's prior written consent Franchisor reserves all other rights and remedies available to it under this Agreement

8 2 3 As used in this Agreement, the term "**Gross Sales**" shall mean and include the actual gross revenues billed to clients of Franchisee in connection with the Services and/or products sold and/or performed for such clients, whether for cash, check, barter, debit or credit card, plus any other revenues derived from the operation of the Franchised Business and all amounts received by Franchisee from any activities or services (whether authorized or unauthorized) that are in any way associated with the Proprietary Marks or the System, or from the sale of any unauthorized products or services (whether or not such sales are made through the Franchised Business) that are competitive with products or services offered or sold by Franchisor or its affiliates, but excluding (i) federal, state or municipal sales, use, service or excise taxes collected from clients and paid to the appropriate taxing authorities and (ii) client refunds Gross Sales also includes revenue that would have been collected had the client actually paid for services rendered but didn't, regardless of if the service was performed gratuitously by the franchisee or if the client refused to pay for service rendered (whether through returned checks, stop payment on a credit card or check, etc) Gross Sales does not currently include revenues from re-sale items, consignments, recycling, scrap, etc , but Franchisor reserves the right, in its sole discretion, upon 30 days' prior notice to Franchisee, to include such revenues in the definition of Gross Sales If Franchisor elects to include these types of revenue in Gross Sales, Franchisor shall provide Franchisee with systems and training regarding the re-sale of such items Attached as Exhibit I is a copy of the current version of the Royalty Memo excerpt from the Manual that describes certain activities and revenues from them that constitute Gross Sales Franchisee agrees and acknowledges that the revenues from activities described in the Royalty Memo will require it to pay the Continuing Royalty Fee to the Franchisor pursuant to this Agreement Franchisor may revise the Royalty Memo from time-to-time

8 2 4 If at the end of any year of operations of the Franchised Business, the total of all Continuing Royalty Fees paid by Franchisee to Franchisor during the previous year of operations is less than the Minimum Annual Royalty for that year, Franchisee shall pay to Franchisor an amount equal to the difference between the Minimum Annual Royalty and the total of all Continuing Royalty Fees actually paid to Franchisor for that year, calculated on an actual per Zone basis The amount of such difference (if any) shall be paid to Franchisor on or before the 15th day of the month immediately following the anniversary of the Commencement of the Business (as defined in Section 8 7) and shall be paid by electronic funds transfer or as otherwise directed by Franchisor Any royalty paid by Franchisee or its affiliates from one zone will not offset the amount of the minimum royalty shortfall due to Franchisor from any other zone owned by it For purposes of this Agreement, the "**Minimum Annual Royalty**" shall be

Time Period*	Minimum Annual Royalty (Per Zone) – Junk Only**	Minimum Annual Royalty (Per Zone) – Moving Only**	Minimum Annual Royalty (Per Zone) – Junk & Moving (both concepts)**
Year 1	$4,500	$6,000	$6,000
Year 2	$5,400	$7,200	$7,200
Year 3	$7,200	$9,600	$9,600
Year 4	$9,000	$12,000	$12,000
Year 5 and beyond***	$10,800	$14,400	$14,400

* Year 1 begins on the Commencement of Business and ends on December 31 of that year Year 2 begins on January 1 and then each Year is the calendar year The Minimum Annual Royalty for Year 1 is pro-rated by the number of days the Franchised Business was open compared to 365 days in a year

** The Minimum Annual Royalty is calculated by multiplying the amount set forth in the chart by the number of Zones in the Designated Territory

*** Notwithstanding the above, if this Agreement relates to the renewal of an existing franchise, the Minimum Annual Royalty shall be the amount set forth under "Year 5 and beyond," which shall apply during the entire term of this Agreement If this Agreement relates to the transfer of an existing franchise, the Minimum Annual Royalty (and any increases) shall be determined by the number of years the Franchised Business has been in operation as of the effective date of this Agreement

THESE MINIMUM ANNUAL ROYALTY AMOUNTS SHOULD NOT BE DEEMED OR CONSTRUED TO CONSTITUTE A PROJECTION OR ESTIMATION OF THE LEVEL OF GROSS SALES OR REVENUE THE FRANCHISEE MIGHT BE ABLE TO GENERATE FROM THE OPERATION OF THE FRANCHISED BUSINESS

8 2 5 Continuing Royalty Fees attributable to Gross Sales earned or achieved for Services sold and/or performed outside of a Franchisee's Zone(s) do not count towards the calculation of the Minimum Annual Royalty

8 2 6 If Franchisee fails to achieve, for 2 consecutive years of operations or any 3 years of operations during the term of this Agreement, the level of Gross Sales (based on Gross Sales for which Continuing Royalty Fees were actually paid to Franchisor) necessary to achieve at least the corresponding Minimum Annual Royalty amounts for each of those years, then, notwithstanding Franchisee's payment of the difference pursuant to Section 8 2 4 above, Franchisor shall have the right, at its option, to (a) to take back any of Franchisee's Zones (if Franchisee then operates multiple Zones) that did not meet the required minimum levels and/or (b) remove the exclusivity from all or a portion of Franchisee's Designated Territory, (in each allowing Franchisor to then grant or operate other Franchised Businesses within such area)

8 3 Brand Development Fee

In addition to the Initial Franchise Fee and Continuing Royalty Fee, Franchisee shall pay to Franchisor a brand development fee (the "**Brand Development Fee**") (to be expended as provided in Section 11 2) in an amount equal to 2% of Franchisee's Gross Sales during the previous 2-week period The Brand Development Fee is payable at the same time and in the same manner as the Continuing Royalty Fee

8 4 Support Fee

Franchisee shall be required to pay to Franchisor a support fee ("**Support Fee**") for the administration of the First Contact Sales & Loyalty Center (including but not limited to staffing and equipment purchases), maintenance and upgrades to the Software, and maintenance fees for any intranet maintained by or on behalf of Franchisor The Support Fee equals (i) $799 per month for junk-only franchises or (ii) $945 per month for moving franchises or moving/junk franchises The Support Fee is payable at the same time and in the same manner as the Continuing Royalty Fee There is no Support Fee due for the first 6 months from the Agreement Date unless this Agreement results from a renewal or transfer, then it applies immediately

8 5 Appointment Fee

In addition to the Support Fee, Franchisee will pay $19 per scheduled appointment by the SLC (the "**Appointment Fee**") Franchisee will not be required to pay the Appointment Fee for self- generated sales, self-booked sales, online bookings, or jobs that cancel prior to the day of the scheduled appointment The Appointment Fee will be billed by the Franchisor each month and is due 10 days after invoice is sent The Appointment Fee covers the per-appointment set by the SLC and is due whether or not a sale results from the appointment, but will not be charged if a client cancels prior to the day of the scheduled appointment "Per booking" or "per appointment" means a booked move, booked junk removal estimate, booked in-home estimate, or booked junk removal consultation Franchisee will be able to submit a request for refund of the Appointment Fee if an appointment is improperly scheduled Franchisor reserves the right to reject Franchisee's unreasonable requests for refund Franchisor reserves the right to monitor the system-wide cancellation average to ensure Franchisee does not abuse the system of cancelled appointments or credits from the SLC Franchisee is responsible for performing confirmation calls with clients at least the day prior to the scheduled appointment to minimize day-of cancellations If there is a day-of cancellation that the Franchisee feels was booked incorrectly, the Franchisee can submit an incident report request for refund

8 6 Providing Services to Clients Outside the Designated Territory

8 6 1 Franchisee and Franchisor may agree that Franchisee is permitted to service clients in zip code(s) (the "**Temporary Zones** ") outside of the Designated Territory, provided such clients are not located in another franchisee's designated territory Franchisee's services in the Temporary Zones must be fully consistent with this Agreement and Franchisee's operations in its Designated Territory including (without limitation) scope of services offered, pricing, and estimating tools and criteria The Franchisee will pay a monthly leasing fee of $50 (the "**Temp Fee**") The Franchisor may terminate Franchisee's right to the service clients in the Temporary Zones upon 30-days written notice for any reason Franchise may terminate Franchisee's right to service clients in the Temporary Zones upon 30-days written notice for any reason Your services in the Leased Zip Codes must be fully consistent with your Franchise Agreement and your operations in your Designated Territory (including the scope of services offered, pricing and estimating tools and criteria) For all your operations in the Leased Zip Codes, if we determine that it is necessary to protect our brand standards and relationships with neighboring franchisees, we may require that you adhere to certain pricing levels for your service offerings If the provision of Services to clients outside of the Designated Territory accounts for 30% or more of Franchisee's total Gross Sales during any continuous 3-month period, Franchisor may, at its option (a) require Franchisee to pay an additional 5% Continuing Royalty Fee (in addition to the standard Continuing Royalty Fee) on all Gross Sales outside of the Designated Territory, or (b) require Franchisee to cease providing Services outside of the Designated Territory Franchisee must meet all of Franchisor's then-current qualifications for purchasing an additional Zone, as set forth in this Agreement and the Manual If Franchisee does not wish to purchase the additional Zone, or is not qualified to do so (as determined by Franchisor, in its sole discretion), Franchisee must immediately cease providing Services in such Zone, or, with Franchisor's written consent, may continue providing Services in such Zone subject to payment of the additional Continuing Royalty Fee equal to 5% of Gross Sales

8 6 2 Notwithstanding anything to the contrary in Section 8 6 1 or any other section of this Agreement, Franchisee must immediately cease providing Services in any unassigned Zone upon 30 days' receipt of notice from Franchisor to stop If Franchisee fails to do so, Franchisor may terminate this Agreement

8 6 3 Franchisee is not permitted to provide Services within a designated territory assigned to another franchisee or reserved for the Franchisor or its affiliate The provision of any Services within a designated territory assigned to another franchisee or reserved for the Franchisor or its affiliate, without the prior written consent of such person, shall be deemed a material default under this Agreement In addition to any other rights and remedies available herein, Franchisor may require Franchisee to pay a penalty fee equal to 20% of the job revenue for the first violation, 50% of the job revenue for the second violation, and 100% of the job revenue for the third (or any subsequent) violation of this Section

8 7 Commencement of the Business

Franchisee's obligations to pay the Continuing Royalty Fee, the Support Fee and the Brand Development Fee accrues on the day that Franchisee commences operation of the Franchised Business "**Commencement of the Business**" is defined as the first day on which the Franchised Business receives revenues, offers services, or conducts any of the activities contemplated by this Agreement

8 8 Right of Set Off

Franchisee agrees to pay promptly, when due, all taxes and assessments that may be assessed or otherwise due against Franchisee's income, premises, equipment and/or supplies used in connection with Franchisee's business, to discharge all liens and encumbrances of every kind and character created or placed upon or against any of said property and to pay all accounts and other indebtedness of every kind incurred by Franchisee in the conduct of said business In the event Franchisee should default in making any such payment, Franchisor shall be authorized, but not required, to pay the same on Franchisee's behalf, and Franchisee covenants promptly to reimburse Franchisor for any such payment Franchisor shall also maintain the right of set off to permit deductions of any such amounts from payments that may be due Franchisee hereunder Any such amounts advanced by Franchisor shall be due and payable immediately on Franchisee's receipt of written demand from Franchisor

8 9 Default

Any default by Franchisee in the timely payment of any indebtedness of Franchisee owing to Franchisor, or to any affiliate of Franchisor, or the default by Franchisee in the payment of any indebtedness of Franchisee with respect to which Franchisor or any of the affiliates of Franchisor is a guarantor, co-signer, endorser or obligor, shall constitute a breach of this Franchise Agreement, rendering the same subject to termination in accordance with the provisions of Article XVII hereof

8 10 Application of Funds

Franchisee waives any and all existing and future claims and set offs against any amounts due Franchisor hereunder, which amounts shall be paid when due regardless of any other claims which Franchisee may have against Franchisor However, Franchisor shall be entitled to apply or cause to be applied against amounts due to it any amounts which may from time to time be held by Franchisor on Franchisee's behalf or be owed to Franchisee by Franchisor Notwithstanding any designation by Franchisee, Franchisor shall use sound business judgment and be reasonable in applying any payments received from Franchisee, whether designated as payable to Franchisor, the Brand Development Fund or otherwise, to any past due or other indebtedness of Franchisee for continuing fees payable hereunder, purchases, interest or otherwise Franchisor may set off from any amounts that may be owed to Franchisee any amount that Franchisee owes to Franchisor or with respect to any payment In particular, Franchisor

may retain any amounts it has received for Franchisee's account (whether rebates or other funds and whether paid by or due from suppliers or otherwise) as a credit and payment against any amounts that Franchisee owes or will owe to Franchisor or with respect to any Brand Development Fee Franchisor may do so without notice at any time However, Franchisee does not have the right to offset or withhold payments owed to Franchisor for amounts purportedly due Franchisee from Franchisor Franchisor may condition Franchisee's participation in any program (including, but not limited to, any program involving payments from third party suppliers or otherwise) as Franchisor determines in its reasonable discretion, including, but not limited to, Franchisee being a franchisee in good standing and not in default under this or any other agreement with Franchisor Franchisee agrees that he/she will not withhold any amounts otherwise due Franchisor as a result of any dispute of any nature, but will pay such amounts to Franchisor and only thereafter seek reimbursement

8 11 Interest on Late Payments

All Continuing Royalty Fees, Brand Development Fees, Support Fees, Appointment Fees, lease payments, amounts due for purchases by Franchisee from Franchisor, and any other amounts which Franchisee owes to the Franchisor shall bear interest after the due date at the annual rate of 18% or the maximum rate of interest allowed by applicable state law, and interest shall accrue from the original due date until payment is received in full Franchisee acknowledges that this Section 8 11 shall not constitute the Franchisor's agreement to accept such payments after same are due or a commitment by the Franchisor to extend credit to, or otherwise finance Franchisee's Franchised Business Further, Franchisee acknowledges that his/her failure to pay all amounts when due shall constitute grounds for termination of this Agreement

8 12 Application of Payments

Notwithstanding any designation by Franchisee, the Franchisor shall have sole discretion to apply any payments by Franchisee to any of his/her past due indebtedness for Continuing Royalty Fees, Brand Development Fees, Support Fees, Appointment Fees, purchases from the Franchisor or its affiliates, interest or any other indebtedness

8 13 Method of Payment - Electronic Funds Transfer

Franchisee shall deliver to Franchisor any and all reports, statements and/or other information required under Article XII below at the time and in the format reasonably requested by Franchisor Franchisee shall establish an arrangement for electronic funds transfer or deposit of any payments required under this Section Franchisee shall execute Franchisor's current form of "Authorization Agreement for Prearranged Payments (Direct Debits)," a copy of which is attached to this Agreement as Exhibit "F," together with any other forms required by Franchisor's or Franchisee's bank, and Franchisee shall comply with the payment and reporting procedures specified by Franchisor in the Manual Franchisee expressly acknowledges and agrees that Franchisee's obligations for the full and timely payment of Continuing Royalty Fees, Brand Development Fees, Support Fees or Appointment Fees (and all other amounts provided for in this Agreement) shall be absolute, unconditional, fully earned, and due upon Franchisee's generation and receipt of Gross Sales Franchisee shall not for any reason delay or withhold the payment of all or any part of those or any other payments due hereunder, put the same in escrow or set-off same against any claims or alleged claims Franchisee may allege against Franchisor, the Brand Development Fund, any advertising cooperative or others Franchisee shall not, on grounds of any alleged non-performance by Franchisor or others, withhold payment of any fee, including without limitation Continuing Royalty Fees, Brand Development Fees, Support Fees or Appointment Fees, nor withhold or delay submission of any reports due hereunder, including but not limited to sales reports

8 14 CPI Adjustment

All fixed dollar amounts used in the Franchise Agreement will be adjusted as of January 1 of each year in proportion to the changes in the Index, subject to an annual Inflation Adjustment, not to exceed an increase of 2% per year, except to round upwards to the nearest whole dollar The term "Inflation Adjustment" refers to Franchisor's right to increase a fee, or obligation to decrease a fee, based upon an increase or decrease in the Index The Index refers to the Consumer Price Index (U S Average, all items) maintained by U S Department of Labor (or such equivalent index as may be adopted in the future) between January 1, 1995 and January of the then-current year, or a comparative index Franchisor may select if the Index is no longer published Each adjustment will be made effective on January 1 based on the January Index, but the 1st adjustment will not be made until at least 12 months following your Franchise Agreement Date Franchisor's failure to adjust any fixed dollar amounts due to changes in the Index at any time does not constitute a waiver of its right to do so at any other time, including for past periods However, Franchisor will not impose such adjustments retroactively

8 15 Performance Refund

If Franchisee owns at least one full Zone and fails to reach $180,000 in Gross Sales during the first 18 months of operations, and Franchisee has followed the System and complied with this Agreement and the Manual with no material defaults, Franchisee may exit the business and Franchisor will refund 50% of the Initial Franchise Fee paid by Franchisee for its 1st Zone (i e $20,000 if Franchisee purchased moving or junk removal, or $25,000 if Franchisee purchased both moving and junk removal) Franchisee must submit a request in writing to Franchisor at 18 months if Franchisee wishes to exercise this exit/refund option Franchisor will review Franchisee's request and notify Franchisee within 30 days after receipt of Franchisee's request If Franchisor approves the request, then Franchisee must sign a mutual termination and general release at that time Franchisor will refund the 50% of the Initial Franchise Fee within 90 days of acceptance of Franchisee's request and after Franchisor has received the signed mutual termination and release, and provided Franchisee has fulfilled its post-term obligations under the Franchise Agreement Franchisee must be in full compliance with this Agreement and the Manual, and must have followed the System entirely, in order to qualify for this refund

8 16 Performance Incentive

If you purchase a brand-new Zone (not a Zone that has previously been owned and developed) and reach $400,000 in Gross Sales during your first 18 months of operations in said Zone, and you have followed the System with no material defaults, we will pay you a marketing incentive of $5,000 You must submit a request in writing at 18 months if you wish to exercise this incentive If you purchase and open an additional brand new Zone after commencement of the first brand new Zone, you will have another 18 months from the commencement date of the additional Zone to reach $400,000 in Gross Sales in said zone to request an additional marketing incentive of $5,000 This Performance Incentive applies to all additional brand new Zones that are purchased after the original brand new Zone We will review your request and notify you within 30 days of your request If approved, we will credit your royalty payments by $5,000 within 90 days of acceptance of your request You must be in full compliance with your franchise agreement, and you must have followed the system entirely in order to qualify for this incentive credit

ARTICLE IX

OBLIGATIONS OF FRANCHISEE

9 1 Obligations of Franchisee

Each component of the System is vital to Franchisor, to the network of other franchisees of the System and to the operation of the Franchised Business, as well as to the members of the purchasing public who have come to rely upon Franchisor and its network for reliability and promptness Compliance with each such component is of the essence to this Agreement Hence, Franchisee undertakes to conduct the

Franchised Business at all times in full compliance with the System and each of its components It is expressly understood and agreed that such services include, but are not limited to, providing junk removal and/or moving services to Franchisee's clients and such other related services as may be authorized by Franchisor to be offered from time to time Franchisor may, from time to time, conduct market research and testing to determine consumer trends and salability of new products and services Franchisee must cooperate by participating in Franchisor's market research programs, test marketing new products and related services and providing timely reports and other relevant information regarding marketing research In connection with such test marketing, Franchisee must execute any agreement required by Franchisor related to such test marketing, purchase a reasonable quantity of products to be tested and effectively promote and make a reasonable effort to sell such products and related services

9 1 1 Franchisee shall operate the Franchised Business in an efficient and professional manner in accordance with the highest ethical and moral standards Franchisee shall, as well, comply with all recommendations and standards of quality and service prescribed from time to time by Franchisor in the Manual or otherwise Franchisee may not discriminate against anyone to whom the Franchised Business provides Services and may not refuse any request for Services from within the Designated Territory Notwithstanding the foregoing, Franchisee reserves the right to refuse a request for Services only if the Services request will compromise the safety of Franchisee, its employees and/or the client

9 1 2 Franchisee shall obtain a physical commercial office space (the "**Office**") separate from its residence from which to operate the Franchised Business The Office must be dedicated to the Franchised Business and not share office space with another business whether or not affiliated All service calls for the Franchised Business will emanate from the Office Franchisee acknowledges and understands that Franchisor does not provide site selection assistance However, the location, characteristics and facilities of the Office are subject to Franchisor's acceptance which will not be unreasonably withheld The Office must be located within the Franchisee's Designated Territory

9 1 3 Franchisee shall, at all times during the term of this Agreement, keep the Franchised Business adequately capitalized to operate the Franchised Business Franchisee is required to maintain the minimum liquid capital required by Franchisor, which shall not be less than the equivalent of 6 months of operating capital for the entirety of the Designated Territory The term "liquid capital" shall include all cash, loans, lines of credit of the Franchised Business, or such other assets as can be liquidated in less than 1 week

9 2 Development of Business

After execution of this Agreement and payment of the Initial Franchise Fee, Franchisee must equip the Franchised Business, complete the Training Program (as required by Section 5 3 of this Agreement), and commence operation of the Franchised Business no later than 30 days after the date Franchisor approves Franchisee's Designated Territory or 90 days after this Agreement is executed, whichever occurs first Franchisee shall be excused from the timely performance of his/her obligations under this Section if the cause of delay is beyond the reasonable control of Franchisee Such cause would include, by way of illustration, strikes, fires and acts of God or other causes which Franchisee could not, by the exercise of due diligence, have reasonably avoided, provided, however, that any such cause shall not relieve Franchisee of his/her requirement to pay fees to Franchisor as described herein

9 3 Compliance with Laws and Good Business Practices

Franchisee shall secure and maintain in force in its name all required licenses, permits and certificates relating to the operation of his/her Franchised Business Franchisee shall operate his/her Franchise in full compliance with all applicable laws, ordinances and regulations, including without limitation all government regulations relating to environmental protection, occupational hazards and health,

worker's compensation insurance, unemployment insurance and withholding and payment of federal and state income taxes, social security taxes and sales taxes Franchisee shall, in all dealings with his/her clients, suppliers, the Franchisor and the public, adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct Franchisee agrees to refrain from any business or advertising practice which may be injurious to the business of the Franchisor and the goodwill associated with the Proprietary Marks and other Franchised Businesses Franchisee and its employees shall be required to wear any uniforms that Franchisor determines, in the best interests of the System, to have all of its franchisees and their employees wear (all other matters pertaining to employment are suggestions or recommendations only) Failure to wear such designated uniforms shall cause Franchisor to provide Franchisee notice of violations of its systems and procedures and which could, in turn, lead to a notice of termination of this Agreement

Without limiting the generality of this Section 9 3, Franchisee certifies that neither Franchisee nor its owners, employees or anyone associated with Franchisee is listed in the Annex to Executive Order 13224 (The Annex is available at http //www treasury gov/offices/enforcement/ofac/sdn) Franchisee agrees not to hire or have any dealings with a person listed in the Annex Franchisee certifies that it has no knowledge or information that, if generally known, would result in Franchisee, its owners, employees, or anyone associated with Franchisee being listed in the Annex to Executive Order 13224 Franchisee agrees to comply with and/or assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with the Anti-Terrorism Laws (as defined below) In connection with such compliance, Franchisee certifies, represents, and warrants that none of its property or interests are subject to being "blocked" under any of the Anti-Terrorism Laws and that Franchisee and its owners are not otherwise in violation of any of the Anti-Terrorism Laws Franchisee is solely responsible for ascertaining what actions must be taken by Franchisee to comply with all such Anti-Terrorism Laws, and Franchisee specifically acknowledges and agrees that Franchisee's indemnification responsibilities as provided in Article XIII of this Agreement pertain to Franchisee's obligations under this Article IX Any misrepresentation by Franchisee under this Section or any violation of the Anti-Terrorism Laws by Franchisee, its owners, or employees shall constitute grounds for immediate termination of this Agreement and any other agreement Franchisee has entered into with Franchisor or one of Franchisor's affiliates in accordance with the terms of this Agreement As used herein, "**Anti-Terrorism Laws**" means Executive Order 13224 issued by the President of the United States, the Terrorism Sanctions Regulations (Title 31, Part 595 of the U S Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U S Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U S Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any Governmental Authority (including, without limitation, the United States Department of Treasury Office of Foreign Assets Control) addressing or in any way relating to terrorist acts and acts of war

9 4 Franchisee to Supervise

9 4 1 Franchisee's Participation During the entire term of this Agreement, Franchisee (or its Managing Owner) shall be responsible personally for devoting his or her full time and best efforts to the supervision and operation of the Franchised Business, unless otherwise agreed in writing by Franchisor If Franchisee is or at any time becomes a Business Entity, an owner who owns and controls at least 51% of the ownership interests in the Business Entity ("**Managing Owner**") shall successfully complete the Training Program and fulfill the requirements set forth in this Section 9 4 Franchisor may give direction to, and receive direction from, the Managing Owner regarding all aspects of the Franchised Business and all matters pertaining to this Agreement and all related agreements If Franchisee's Managing Owner transfers his/her ownership interest (with Franchisor's approval), Franchisee must designate a new Managing Owner (whom Franchisor must approve) that must attend and satisfactorily complete Franchisor's Training Program within the timeframe Franchisor specifies

9 4 2 Management of the Franchised Business The Franchised Business must at all times be under the direct supervision of Franchisee (or its Managing Owner) or an approved manager who has successfully completed the Franchisor's Training Program The Franchisor (or its Managing Owner) and/or the manager must devote sufficient time and attention to performing their duties under this Agreement, including a minimum of 30 hours per week of their physical presence to oversee and actively supervise the operation of the Franchised Business during operating hours If Franchisee (or its Managing Owner) will not actively and directly supervise the operation of the Franchise Business, Franchisor may, in its sole discretion, require that the approved manager have at least a 10% ownership interest in the Franchised Business If the approved manager is terminated, leaves the employ of the Franchisee or otherwise fails to devote his or her full time and best efforts to the management and operation of the Franchised Business, the Franchisee must, within 30 days from such event, hire a new manager (approved by Franchisor) who must successfully complete the Training Program within the timeframe Franchisor specifies

9 4 3 No Competing or Conflicting Activities If, at any time during the term of this Agreement, Franchisee or its owners/principals wish to engage in or operate any other type of business which may distract from the Franchised Business or potentially conflict with Franchisee's obligations hereunder, Franchisee must receive Franchisor's written approval before proceeding with such other business Franchisee shall provide Franchisor with a business plan that will describe in substantial detail how the Franchised Business will be operated according to the terms of this Agreement and Franchisor's requirements while simultaneously operating another business If Franchisor reasonably believes that such other business will compete with the Franchised Business, adversely affect the operation of the Franchised Business, or conflict with Franchisee's obligations under this Agreement, Franchisor may disapprove such other business Franchisor's approval will not be unreasonably withheld Franchisor reserves the right to approve participation in another business by any of Franchisee's principals and/or affiliates who are involved in the operation of the Franchised Business Franchisee (and its owners and affiliates) may operate or engage in an additional business without Franchisor's prior consent, provided that such business does not compete with or distract from the Franchised Business, adversely affect the Franchised Business, or conflict with Franchisee's (or its owners') obligations under this Agreement

9 5 Service Vehicle

Franchisee shall be obligated to purchase or lease the Service Vehicle(s) required by Franchisor to be used in the operation of the Franchised Business, the specifications for which are set forth in the Manual and are subject to change from time to time All Service Vehicle(s) utilized in your Franchised Business must meet our System standards and must meet our specifications for equipment, layout, appearance, decor and model The Service Vehicle(s) must be wrapped and otherwise decorated in accordance with our System standards, which will include utilizing logos and designs that we specify or approve We may require you to obtain equipment, wrapping and other decorative services for your Service Vehicle(s) from suppliers that we designate You must also upgrade, maintain and replace your Service Vehicle(s) periodically in accordance with System standards that we specify in the Manuals and otherwise from time to time, including appearance, logos, wraps, colors and signage For purposes of this Section 9 5, a Service Vehicle used to provide junk removal services under the College Hunks Hauling Junk® brand is referred to as a "**junk truck**," and a Service Vehicle used to provide moving services under the College Hunks Moving® brand is referred to as a "**moving truck** " Franchisee acknowledges and agrees that Franchisor's standards and specifications for moving trucks may be different from the standards and specifications for junk trucks If Franchisee wishes to purchase used Service Vehicle(s), such Service Vehicle(s) must be approved by Franchisor prior to purchase, which approval will not be unreasonably withheld

9 5 1 Number of Service Vehicles

(a) Franchisee shall commence operation of the Franchised Business with at least (i) 1 Service Vehicle for each service provided (i e , junk removal and/or moving), and (ii) 1 Service Vehicle for each service provided for each Zone

(b) Franchisee shall add a 2nd junk truck or moving truck, as applicable, for each service provided (i e , junk removal and/or moving) upon the commencement of the 2nd year of operations or when the Franchised Business achieves Gross Sales of $15,000 or more for such service (i e , junk removal or moving) in any given month, whichever occurs first Franchisee shall thereafter add an additional junk truck and/or moving truck, as applicable, whenever its average Gross Sales per existing Service Vehicle for such service equal $15,000 or more in any given month Notwithstanding the foregoing, if Franchisee owns 3 or more Zones, Franchisee shall have at least 1 Service Vehicle in operation for each service provided (i e , junk removal and/or moving) per Zone no later than the commencement of the 3rd year of operations, regardless of the level of Gross Sales, or Franchisee will automatically forfeit its rights to any Zone(s) for which Franchisee does not have a junk truck and/or moving truck, as applicable, in operation

(c) Franchisee may add additional Service Vehicles to better serve his/her clients, subject to the advance written consent of Franchisor Franchisor shall not unreasonably withhold its consent allowing Franchisee to add a Service Vehicle, but may request, and Franchisee shall provide, any information relating to Franchisee's Franchised Business to assist Franchisor in making its determination

(d) If Franchisee purchases additional Zone(s) during the term of this Agreement, Franchisor may require Franchisee to add additional Service Vehicle(s) sooner than would otherwise be required under this Section, as a condition of acquiring such Zone(s) Franchisor may also require Franchisee to acquire additional Service Vehicle(s) as a condition of the grant of a renewal Franchise Agreement upon expiration of this Agreement

9 5 2 Use of Service Vehicle Franchisee and his/her employees, agents and independent contractors shall travel to clients' and prospective clients' residential or small commercial properties only in Service Vehicles that have been acquired, designed, equipped, painted, decaled, wrapped, decorated and/or otherwise outfitted as specified and approved by Franchisor and no others It is acknowledged that such restriction is necessary to present a uniform appearance to the public and preserve the goodwill associated with the Proprietary Marks Franchisee understands and acknowledges that the Service Vehicle(s) shall only be used for projects and work approved and/or authorized by Franchisor, and for no other purpose At Franchisor's direction, all Service Vehicles must utilize tracking systems using the software and equipment specified by Franchisor Franchisee must grant and otherwise enable Franchisor to access the tracking, location and related data for each Service Vehicle as Franchisor determines appropriate

9 5 3 Condition Franchisee shall maintain his/her Service Vehicle(s) in good working order, performing scheduled maintenance as recommended by the manufacturer and repairing all malfunctions promptly Franchisee shall also ensure that each Service Vehicle is equipped with all of the items and accessories required by Franchisor, as well as displaying approved wrapping, signage and logos Franchisee shall be required to replace a Service Vehicle (a) at least every 7 years, or earlier, depending on the age and condition of the Service Vehicle, and (b) whenever directed by Franchisor if the Service Vehicle does not meet its then current standards

9 5 4 Cleanliness and Appearance Franchisee shall keep all of its Service Vehicle(s) neat and clean, and consistent with the image of the Franchised Business as a professionally operated junk removal and/or moving services business

9 5 5 Indemnification, Independent Contractor All Service Vehicles must maintain in a conspicuous place signage approved by Franchisor that the Franchised Business is independently owned and operated by the Franchisee pursuant to an agreement with the Franchisor Nothing in this Agreement is intended to creative a fiduciary relationship between the Franchisee and Franchisor or to constitute the Franchisee as an agent, legal representative, subsidiary, joint venture, partner, employee or servant of the Franchisor for any purpose whatsoever It is understood and agreed that the Franchisee is an independent contractor and is in no way authorized to make any contract, warranty or representation or to create any obligation on behalf of the Franchisor

9 5 6 Disposition Under no circumstances shall Franchisee allow a Service Vehicle to come into the possession of anyone who is not a College Hunks Moving® or College Hunks Hauling Junk® franchisee without first removing and/or obliterating all the logos, signage and Proprietary Marks When Franchisee disposes of any Service Vehicle, he/she must give Franchisor prior written notice of such disposition, including verification of the removal of all logos, signage and Proprietary Marks In addition, during the term of this Agreement, Franchisee may not, without Franchisor's written consent, assign or sublet a lease for any Service Vehicle

9 5 7 Safe Driving Franchisee shall hire and use only safe and courteous drivers of his/her Service Vehicle(s) and shall maintain at all times during the term of this Agreement such automobile insurance policies and coverage amounts as may be prescribed in the Manual from time to time

9 5 8 Compliance with Law Franchisee shall at all times cause himself/herself and his/her employees, agents and independent contractors, along with all Service Vehicles, to be in full compliance with all applicable laws and regulations pertaining to all Service Vehicles, including, but not limited to, any requirements relating to licensing of drivers

9 5 9 Taxes and License Fees Franchisee shall promptly pay all license and use charges and taxes assessed on or pertaining to his/her Service Vehicle(s) and shall hold Franchisor harmless therefrom

9 5 10 Inspection Franchisor, by its agents, employees and attorneys, shall have the right at all times during regular business hours, and without prior notice to Franchisee, to inspect the interior and exterior of Franchisee's Service Vehicle(s) to ascertain if Franchisee is in compliance with his/her obligations under this Agreement and the Manual Such inspection(s) may include, without limitation, verification of correct registration, licensing and insurance Franchisee shall cooperate, and shall cause his/her employees to cooperate, fully with such inspection(s), and shall give his/her permission as may be necessary to allow Franchisor to obtain government and insurance company records pertaining to ownership and/or operation of the Service Vehicle(s), and promptly deliver the information and documentation referred to herein to Franchisor, upon Franchisor's request

9 5 11 Reports Franchisee shall, when adding a Service Vehicle to the Franchised Business, report to Franchisor in writing the identity of the Service Vehicle Franchisee is adding Also, Franchisee shall, from time to time as requested by Franchisor or pursuant to this Agreement, report to

Franchisor in writing the identity of all Service Vehicles Franchisee is then using in connection with the Franchised Business Franchisee shall also report to Franchisor in writing each time Franchisee disposes of any Service Vehicle, setting forth the date of disposition, the name and address of the purchaser, and a description of the measures taken to obliterate all resemblance to a College Hunks Hauling Junk® or College Hunks Moving® Service Vehicle These reports shall also include such other information as Franchisor may reasonably require, and shall be made on such forms, and at such times, as prescribed by Franchisor

9 5 12 Lease of Service Vehicle In the event Franchisee leases his/her Service Vehicle(s), rather than purchasing them, the following shall apply

(a) Franchisee shall provide Franchisor with a copy of the proposed lease offer for the Service Vehicle for Franchisor's approval Upon execution of the lease for the Service Vehicle(s), Franchisee shall provide Franchisor with copies of all lease documents, including the vehicle identification number for each Service Vehicle

(b) Contemporaneously with the execution of the lease for the Service Vehicle, each of the lessor, Franchisee (as lessee) and Franchisor (as conditional lessee) shall execute a Conditional Assignment of Service Vehicle Lease in the form of Exhibit "E" hereto Franchisee shall be solely responsible for obtaining execution of such Conditional Assignment by lessor

9 5 13 Purchase of Service Vehicle If Franchisee purchases his/her Service Vehicle(s), rather than leasing them, the form of any purchase contract and/or financing documents shall contain the following provisions

(a) a provision which requires any lender concurrently to provide Franchisor with a copy of any written notice of deficiency or default under the terms of the loan sent to Franchisee or its affiliate as the purchaser, and

(b) a provision granting Franchisor, at its option, the right (but not the obligation) to cure any deficiency or default under the loan should Franchisee fail to do so, within 10 days after the expiration of any period in which Franchisee may cure such default or deficiency Franchisee shall thereafter reimburse Franchisor for such amounts immediately upon demand

9 6 Acknowledgments

Franchisee acknowledges that he/she is one of a number of franchisees, each of whose success depends in substantial part on the integrity, reputation and marketing efforts of each other franchisee Franchisee further acknowledges that the value of the Proprietary Marks and of membership in the System to Franchisee, to Franchisor and to each other franchisee depends on the maintenance of uniform standards of quality, integrity and appearance Franchisee further acknowledges that any action which impairs the reputation and goodwill of the Proprietary Marks, impairs or adversely affects the objectives of the Franchisor or brings the Franchisor into disrepute, or departs from the uniform practices specified by Franchisor, will be likely to injure all members of the System

9 7 Franchisor's Directives

Franchisee agrees that he/she will at all times adopt and follow all the Franchisor's directives concerning the appearance of Franchisee's premises and Service Vehicles, the quality and appearance of goods and services offered, the appearance of Franchisee and his/her staff, other business practices and other matters likely to affect the public perception of the System as a unified and reliable network of companies Franchisee will offer all of, and only, the goods and services which Franchisor authorizes for College Hunks Hauling Junk® and/or College Hunks Moving® businesses

9 8 Variances

Complete and detailed uniformity under many varying conditions may not be possible or practicable, and Franchisor therefore reserves the right and privilege, at the sole and absolute discretion of Franchisor and as Franchisor may deem in the best interest of all concerned in any specific instance, to vary standards to accommodate special needs of Franchisee, or those of any other franchisee, based upon the peculiarities of a particular site or location, density of population, business potential, population of trade area, existing business practices, requirements of local law or local custom, or any other condition which Franchisor deems to be of importance to the successful operation of such franchisee's business Further, Franchisor may from time to time allow certain franchisees to depart from normal System standards and routines in certain respects in order to experiment with or test new products or services, equipment, Service Vehicles, designs, procedures and the like In no event shall such variance, or such testing, be deemed a waiver of any of Franchisor's rights, or an excuse from performance of any of Franchisee's duties hereunder Franchisor may at any time require Franchisee to commence full compliance with all of Franchisor's standards and procedures Franchisor shall not under any circumstances be required to grant any variance to Franchisee Nothing contained in this Article is intended to confer on Franchisee any right to compel Franchisor to grant a variance to Franchisee or to grant, withdraw or modify any variance given to any other franchisee Such matters shall at all times remain within the sole and absolute discretion of Franchisor

9 9 Client Referrals

The First Contact Sales & Loyalty Center is the primary scheduling database and will be the central point of contact for all customers Franchisee must either (a) refer prospective customers to the designated SLC, or (b) only if it has fully entered all required information into our designated software and platforms (currently Hunkware), Franchisee may book and perform Services for customers who have not previously had any contact with the SLC The SLC's records will be dispositive in determining customer first contact

9 10 Former Franchisees

Franchisee acknowledges that former franchisees (those whose franchise agreements have expired or have been terminated) are in a position to compete unfairly with the Franchisee and/or other members of the System, and to cause great injury to the reputation of the System and/or the Proprietary Marks Franchisee therefore agrees as follows

9 10 1 Franchisee will not sell, loan, give or otherwise transfer or deliver to any former franchisee, or allow any former franchisee to copy or otherwise obtain, any confidential business information about the System, any advertising or promotional materials produced by the Brand Development Fund or by Franchisor or which bear any of the Proprietary Marks, any other materials or publications of Franchisor, including, without limitation, the Manual, any directory or roster of franchisees or approved suppliers, any other client lists or mailing lists pertaining in any way to the System, or any other information about the Franchised Business or the System which is not available to the public

9 10 2 Franchisee will not refer prospective clients to any former franchisee

9 10 3 Franchisee will not notify or advise any former franchisee of, or in any other way assist any former franchisee in learning about, the date, time and place of any meetings of franchisees

9 10 4 If Franchisee observes any former franchisee using any of the Proprietary Marks in any way, or utilizing business premises or motor vehicles from which the Proprietary Marks and/or distinctive color scheme have not been completely obliterated, Franchisee shall immediately report such observation to Franchisor, along with all details available to Franchisee

9 10 5 Franchisee shall in general have no dealings with any former franchisees of the System

9 10 6 The provisions of Section 9 10 of this Agreement shall apply to Franchisee as soon as Franchisee is on notice of the expiration or termination of another franchise agreement Franchisee shall be deemed to be on such notice when

(a) Franchisee receives a new Franchisee Directory in which such franchise does not appear, or

(b) Franchisee receives written notice from Franchisor that 1 or more particular franchise agreements have expired or have been terminated

9 11 Computer System

9 11 1 Computer Hardware Franchisee shall (at his/her sole cost and expense) purchase or lease and maintain throughout the term of this Agreement computer hardware and peripheral equipment meeting Franchisor's specifications Franchisee understands and acknowledges that such computer hardware is required to utilize the Software Franchisee shall provide to Franchisor any user IDs and passwords related to Franchisee's computer system as Franchisor requires Franchisor reserves the right to require Franchisee to install and maintain systems that permit Franchisor to access and retrieve electronically any information stored in Franchisee's computer system, including, without limitation, information concerning the Gross Sales of the Franchised Business

9 11 2 Technology Changes Franchisee acknowledges and agrees that changes to technology are dynamic and not predictable within the term of this Agreement In order to provide for inevitable but unpredictable changes to technological needs and opportunities, Franchisee agrees that Franchisor shall have the right to establish reasonable new standards (in writing) for the implementation of technology in the System Franchisee agrees to abide by and fully adopt and implement, at its expense, any reasonable new technology standards established by Franchisor from time to time There are no contractual limits on this obligation

9 12 Authorized Products and Services

9 12 1 The reputation and goodwill of the Franchisor is based upon, and can be maintained and enhanced only by the provision of high quality Services and other related products and services Franchisee agrees, therefore, that he/she will only offer such Services and other products and services that the Franchisor shall authorize for the Franchised Business, including but not limited to any newly developed proprietary products or equipment by the Franchisor Franchisee further agrees that he/she will not sell his/her client list(s) or client contracts, or otherwise use his/her client list(s) for any purpose other than in connection with the operation of his/her Franchised Business Franchisee agrees that he/she

will not, without the prior written approval by the Franchisor, offer or sell any type of service or offer, sell or use any product that is not authorized by Franchisor for the Franchised Business Franchisee further agrees that any equipment used in Franchised Businesses shall not be used for any purpose other than the operation of his/her Franchised Business in compliance with this Agreement, the Manual, and Franchisor's written directives Franchisee shall not offer or sell (i) any products or services that are competitive with the products and services offered by College Hunks Hauling Junk® or College Hunks Moving® businesses, or (ii) any products or services that are competitive with other products and services offered (now or in the future) by the Franchisor or its affiliates, such as re-usable moving boxes, moving or storage containers, and storage services

9 12 2 Subject to the provisions of Section 5 19 above, in the event Franchisee proposes to offer for sale through the Franchised Business any products or services not previously designated or approved by Franchisor, then Franchisee must first submit the proposed product or service to Franchisor for consideration and approval Franchisor will consider the proposed product or service and respond to Franchisee within a reasonable time as to whether or not the product or service is approved for sale through the Franchised Business Franchisor reserves the right to make alterations to the proposed product or service as a condition of approval Franchisee acknowledges and agrees that, with respect to any change, amendment, or improvement in the System or proposed products or services for which Franchisee requests Franchisor's approval (i) Franchisor shall have the right to incorporate the proposed change into the System and shall thereupon obtain all right, title, and interest therein without compensation to Franchisee, (ii) Franchisor shall not be obligated to approve or accept any request to implement change, and (iii) Franchisor may from time to time revoke its approval of particular change or amendment to the System, and upon receipt of written notice of such revocation, Franchisee shall modify its activities in the manner described by Franchisor It is understood and agreed that information, improvements to the System or techniques prepared, compiled or developed by the Franchisee, its employees or agents during the term of this Agreement and relating to the Franchised Business, whether developed separately or in conjunction with the Franchisor, shall be considered as part of the Know How Franchisee hereby grants to the Franchisor an irrevocable, worldwide, exclusive, royalty-free license, with the right to sub-license such product or service

9 13 Approved Products and Supplies

Franchisee agrees that all products and supplies used in his/her Franchised Business shall comply with the Franchisor's specifications and quality standards In order to maintain uniformity of concept and quality, all proprietary materials and forms used by Franchisee shall be purchased from Franchisor or its affiliates in accordance with the terms and procedures set forth in the Manual The use or sale of unapproved products or services shall constitute a material and incurable breach of this Agreement The Franchisor shall provide Franchisee with a list of approved products and supplies and shall from time to time issue revisions thereto If Franchisee wishes to use any type or brand of product or supply item or wishes to purchase products or supplies from a supplier that is not currently approved by the Franchisor, Franchisee shall notify the Franchisor of his/her desire to do so and submit to the Franchisor specifications, photographs, samples and/or other information requested by the Franchisor The Franchisor shall, within a reasonable time, determine whether such products, supplies or such supplier meets its specifications and standards and notify Franchisee whether he/she is authorized to use such product or supply item or purchase from such supplier

9 14 Employees

Franchisee is solely responsible for hiring, training and supervising its employees and independent contractors and must hire sufficient personnel to fully staff its Franchised Business in order to operate in

accordance with standards of the System and uphold and represent the System to the highest standards Franchisee's employees shall be under Franchisee's day-to-day control in implementing and maintaining Franchisor's System standards and specifications in the operation of the Franchised Business Franchisor does not control the forms of employment agreements Franchisee uses with its employees and is not responsible for Franchisee's labor relations or employment practices Franchisee has sole responsibility and authority for Franchisee's labor relations and employment practices, including, among other things, employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, and working conditions Franchisee shall communicate clearly with its employees in any employment agreements, human resource manuals, written and electronic correspondence, paychecks, and other materials that Franchisee (and only Franchisee) is their employer and that CHHJ Franchising L L C , as franchisor of the College Hunks Hauling Junk® and College Hunks Moving® franchise system, is not their employer and does not engage in any employer-type activities (including those described above) for which only Franchisee is responsible

9 15 Employee Training

Franchisee shall offer such continuing training programs to his/her managers as are specified in the Manual

9 16 Advertising

Franchisee shall comply with all of the obligations regarding advertising as are set forth in Article XI of this Agreement

9 17 Hours of Operation

The Franchisee shall operate his/her Franchised Business during those hours prescribed in the Manual

9 18 Inspection

9 18 1 Franchisor or any of its authorized agents or representatives may, upon reasonable notice, inspect the Franchised Business during normal business hours to determine whether it is in compliance with this Agreement and with the System, including compliance with the minimum liquid capital provisions set forth in Section 9 1 3

9 18 2 Further, Franchisee understands and consents to Franchisor's ability to access all files, data, accounts, reports and the like resulting from Franchisee's transmission of any required reports to Franchisor via computer

9 18 3 If any such inspection should reveal that the Franchised Business is not adequately capitalized, such event shall be considered a default of this Agreement and Franchisee shall have 30 days within which to cure said default by bringing the capitalization of the Franchised Business up to required levels Franchisee must, within said 30-day period, provide Franchisor with evidence that the Franchised Business has been adequately capitalized

9 19 Reports

Franchisee shall submit to Franchisor such reports regarding the Franchised Business as Franchisor may prescribe in the Manual from time to time

9 20 Good Faith

Franchisee shall act in good faith and use his/her best efforts to comply with his/her obligations under this Agreement, and shall cooperate with Franchisor in accomplishing the purposes of this Agreement Further, Franchisee shall not directly or indirectly engage in any activities which would be detrimental to or interfere with the operation or reputation of the Franchised Business, the Franchisor, the System, or the operations of any other franchisee

9 21 Ethics

Franchisee agrees to conduct his/her business in a manner that complies with the terms and intent of this Agreement, with national, state and local laws, regulations and ordinances, and with the Franchisor's Code of Ethics (if and when adopted and published by Franchisor) Franchisee hereby authorized any federal, local or state body regulating or supervising junk removal practices to release to Franchisor information related to complaints and to any disciplinary actions taken based upon Franchisee's practices Franchisee agrees to notify Franchisor within 5 business days of any such complaints or disciplinary actions Franchisee also agrees to maintain all permits, certificates and licenses (necessary for his/her franchise operation) in good standing and in accordance with applicable laws and regulations

9 22 Customer Satisfaction, Operation of Franchised Business

Franchisee agrees to comply with Franchisor's requirements related to customer satisfaction as set forth in the Manual, including, without limitation, offering a money back satisfaction guarantee Franchisee further agrees to participate in other customer satisfaction programs initiated by Franchisor, which may include a "mystery shop" program In addition, Franchisee shall use its best efforts to ensure that the Franchised Business is performing satisfactorily, in Franchisor's opinion If Franchisor does not believe that the Franchised Business is performing satisfactorily, Franchisee agrees to participate in enrichment training, as described in Article V above Franchisor shall pay for costs related to a "mystery shop" program, provided that Franchisee is operating its Franchised Business satisfactorily If Franchisor determines that a significant amount of negative feedback has occurred related to Franchisee's Franchised Business, Franchisor reserves the right, in its discretion, to require Franchisee to pay for all costs of additional mystery shopper services, which Franchisee agrees to pay when incurred and which shall be in addition to Franchisee's obligation to participate in and pay costs related to enrichment training

9 23 Forms of Payment

Franchisee agrees that the only forms of payment it may accept from clients are check and credit card, unless otherwise approved in writing by Franchisor, in its sole discretion Franchisee understands and acknowledges that this restriction, including the restriction that neither Franchisee nor any of its employees may accept cash as a form of payment, is for the benefit and safety of Franchisee and its employees Franchisee shall apply for and maintain, at its expense, any credit card, debit card and/or other non-cash payment systems that Franchisor periodically requires Franchisor reserves the right to designate the vendor(s) and/or service provider(s) for such payment systems

9 24 Hazardous Materials

Franchisee will not deal in any way with any hazardous materials, including, but not limited to, oil or gasoline (except in connection with the operation of the Service Vehicle(s)), asbestos, any materials containing or contaminated with PCBs, liquid waste or sludge of any sort, septic tank sludge or waste,

solvents, liquid paints or chemicals, and any other item which may be considered a "hazardous material," as such term is defined by the laws applicable to the Designated Territory or designated by us in the Manual

9 25 Business Entity

If Franchisee is, or at any time becomes, a Business Entity, Franchisee agrees and represents that

9 25 1 Franchisee has the authority to execute, deliver and perform its obligations under this Agreement and is duly organized or formed and validly existing in good standing under the laws of the state of its incorporation or formation,

9 25 2 Franchisee's organizational or governing documents will recite that the issuance and transfer of any ownership interests in the Business Entity are restricted by the terms of this Agreement, and all certificates and other documents representing ownership interests in Franchisee will bear a legend referring to the restrictions of this Agreement,

9 25 3 The Principal Owner's Statement attached hereto as Exhibit "H" completely and accurately describes all of Franchisee's owners and their respective interests in the Business Entity, and lists each person who has voting or management rights and obligations Franchisee agrees to promptly sign and deliver to Franchisor a revised Exhibit "I" to reflect any permitted changes in the information (no ownership changes may be made without Franchisor's prior written approval),

9 25 4 Each owner that is active in the Franchised Business or has legal or beneficial ownership of more than 10% or more of Franchisee's ownership interests (e g , stock, membership interests, etc) at any time during the term of this Agreement shall sign and deliver to Franchisor a Principal Owner's Guaranty in the form attached hereto as Exhibit "D," undertaking personally to be bound, jointly and severally, by all of the provisions of this Agreement and any related agreements between Franchisor and Franchisee,

9 25 5 Upon Franchisor's request, Franchisee shall promptly furnish true and correct copies of all documents and contracts governing the rights, obligations and powers of Franchisee's owners and agents (like articles of incorporation/organization and partnership, operating or shareholder agreements)

ARTICLE X

INSURANCE

10 1 Insurance Coverages

Prior to opening the Franchised Business for business, Franchisee must obtain the insurance coverages required by Franchisor under policies of insurance issued by carriers having an A M Best rating of "A" or better Franchisor's then-current insurance requirements are contained in the Manual and are subject to change during the term of this Agreement Franchisee agrees to comply with any modified insurance requirements As of the date of this Agreement, Franchisee shall purchase and maintain the following (1) comprehensive general liability insurance and comprehensive product liability insurance against claims for bodily and personal injury, death, and property damage caused by or occurring in conjunction with the operation of the Franchised Business or Franchisee's conduct of business pursuant to this Agreement under 1 or more policies of insurance containing minimum liability coverage of $1,000,000 per occurrence and $2,000,000 aggregate, (2) Workers' Compensation or other employer's liability insurance as well as such other insurance as may be required by statute or rule in the state(s) in which the Franchised Business is located or operates, and (3) automobile liability coverage, including coverage of

owned, non-owned and hired vehicles, of $1,000,000 per occurrence Franchisee must maintain all required policies in force during the entire term of this Agreement and any renewals thereof Franchisor may periodically increase or decrease the amounts of coverage required under these insurance policies and require different or additional kinds of insurance at any time, including excess liability insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances Each insurance policy must name Franchisor (and, if Franchisor so requests, the directors, employees or shareholders of Franchisor) as additional insureds and must provide Franchisor with 30 days' advance written notice of any material modification, cancellation, or expiration of the policy

Franchisor recommends that Franchisee obtain the following additional coverages (1) general casualty insurance including fire and extended coverage, vandalism, theft, burglary and malicious mischief insurance for the replacement value of the Franchised Business and its contents, and (2) an umbrella insurance policy

If Franchisee will provide moving services from the Franchised Business, then Franchisee agrees to purchase cargo insurance for damage or loss to the cargo while it is being moved, and coverage while items are being loaded, unloaded or otherwise in Franchisee's possession Such cargo insurance shall have minimum coverage of $50,000 per Service Vehicle, regardless of the Service Vehicle's size or the amount of property being moved We recommend, but do not require Franchisee to also obtain (1) employee dishonesty insurance of not less than $10,000, and (2) a third-party dishonesty bond of not less than $10,000

Before the expiration of the term of each insurance policy, Franchisee must furnish Franchisor with a Certificate of Insurance for each policy to be maintained for the upcoming term, along with evidence of the payment of the premium for each If Franchisee does not maintain the required insurance coverage, or does not furnish Franchisor with satisfactory evidence of the required insurance coverage and the payment of the premiums for same, Franchisor may obtain, at its option and in addition to its other rights and remedies under this Agreement (including termination), any required insurance coverage on Franchisee's behalf If Franchisor does that, Franchisee agrees to fully cooperate with Franchisor in its effort to obtain the insurance policies, promptly execute all forms or instruments required to obtain or maintain the insurance, allow any inspections of the Franchised Business which are required to obtain or maintain the insurance and pay to Franchisor, on demand, any costs and premiums Franchisor incurs

10 2 Obligation to Maintain Insurance Coverage

Franchisee's obligation to maintain insurance coverage, as described in this Agreement, will not be reduced in any manner by reason of any separate insurance Franchisor maintains on its own behalf, nor will Franchisor's maintenance of that insurance relieve Franchisee of any obligations under this Article X

10 3 Reports of Losses

Franchisor reserves the right to obtain from Franchisee's insurance carrier(s) periodic reports of losses (such as monthly, quarterly and/or annually), and Franchisee shall authorize his/her insurance carrier(s) to provide Franchisor with such reports

ARTICLE XI

ADVERTISING

11 1 Approval by Franchisor

Franchisee shall use for his/her advertising and Promotional Activities only those materials, concepts and programs which have been furnished or approved in advance by Franchisor by specification in the Manual or otherwise Franchisee acknowledges that Franchisor may be one of, or the only, approved supplier for certain advertising and promotional materials and programs

11 2 Brand Development Fund

Franchisor has created and will maintain and administer a system-wide brand development fund (the "**Brand Development Fund**") for such brand development activities, materials and programs as Franchisor may deem necessary or appropriate The responsibility for creation and administration of the Brand Development Fund shall remain with Franchisor Online bookings as well as advertising and Promotional Activities (collectively, "**Promotional Activities**") conducted by the Brand Development Fund shall be funded by Brand Development Fees paid by Franchisee to Franchisor, and Franchisee agrees to participate in any Promotional Activities Franchisor shall have the sole right to determine, in its sole discretion, the composition of all geographic and market areas for the implementation of advertising and Promotional Activities of the Brand Development Fund

Franchisee's Brand Development Fees shall be placed in the Brand Development Fund, managed by Franchisor Franchisor will spend the majority of contributions to the Brand Development Fund on any of the following (1) website development and advertising, (2) local or regional advertising, media, promotion or marketing or local or regional public relations programs, (3) other activities connected to the promotion and marketing of the Proprietary Marks and the System, or (4) retaining advertising and/or public relations agencies or personnel in relation to developing advertising Franchisor may also spend a portion of the contributions to the Brand Development Fund to engage in test marketing, to conduct research, surveys of advertising effectiveness, produce new commercials and other promotional and advertising materials and programs, or other purposes deemed beneficial by Franchisor for the general recognition of the Proprietary Marks and the System Franchisor shall be entitled to (i) reimburse itself out of the Brand Development Fund for the total costs (including indirect costs) of developing, producing, implementing and/or distributing any advertising programs or materials and collecting Brand Development Fees, including accounting, collection, bookkeeping, reporting and legal expenses incurred with respect to the administration and development of the Brand Development Fund, and (ii) charge the Brand Development Fund an administrative fee equal to 10% of the amounts actually expended to cover Franchisee's related services, salaries, supplies, and overhead expenses

All sums paid by franchisees to the Brand Development Fund, and any income earned thereon, shall be accounted for separately and shall be used only for the purposes specified herein Franchisee shall, upon his/her written request, receive on an annual basis within 120 days after the end of each fiscal year a report describing the activity of the Brand Development Fund, which report is not required to be audited Franchisor shall be entitled to reimburse itself for reasonable accounting, collection, bookkeeping, reporting and legal expenses incurred with respect to the Brand Development Fund Franchisor shall not be liable for any act or omission with respect to the Brand Development Fund which is consistent with this Agreement or done in good faith

The Brand Development Fund is not the Franchisor's asset The Brand Development Fund is not a trust, and the Franchisor does not owe Franchisee fiduciary obligations because of the Franchisor's maintaining, directing or administering the Brand Development Fund or for any other reason The Franchisor may spend in any fiscal year an amount greater or less than the aggregate contribution of Franchised Businesses to the Brand Development Fund in that year and the Franchisor may make loans to the Brand Development Fund (and the Brand Development Fund may borrow from the Franchisor or other lenders) bearing reasonable interest to cover any deficits of the Brand Development Fund or cause the Brand Development Fund to invest any surplus for future use by the Brand Development Fund Any monies remaining in the Brand Development Fund at the end of any fiscal year shall carry forward to be spent in the next year The Franchisor may incorporate the Brand Development Fund or operate it through a separate entity whenever the Franchisor deems appropriate The successor entity will have all of the rights and duties specified in this Subsection

Franchisee understands and acknowledges that the Brand Development Fund is intended to maximize general public recognition and patronage of the Franchised Businesses and the Proprietary Marks for the benefit of all Franchised Businesses The Franchisor undertakes no obligation to ensure that

expenditures by the Brand Development Fund are proportionate or equivalent to contributions by Franchised Businesses or that any Franchised Business will benefit direct or in proportion to its contribution to the Brand Development Fund from the conduct of marketing programs or the placement of advertising

The Franchisor has the right, but no obligation, to use collection agents and institute legal proceedings to collect Brand Development Fees at the Brand Development Fund's expense The Franchisor also may forgive, waive, settle and compromise all claims by or against the Brand Development Fund Except as expressly provided in this Subsection, the Franchisor assumes no direct or indirect liability or obligation to Franchisee for collecting amounts used in maintaining, directing or administering the Brand Development Fund

The Franchisor may at any time defer or reduce the Brand Development Fee of a Franchised Business, and upon 30 days' prior written notice to Franchisee, reduce or suspend Brand Development Fees and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Brand Development Fund If the Franchisor terminates the Brand Development Fund, the Franchisor will distribute all unspent monies to all Franchised Businesses (whether franchised or operated by the Franchisor or its affiliates) in proportion to their respective Brand Development Fund contributions during the preceding 12-month period If Franchisor elects to reinstate the Brand Development Fund, any reinstated Brand Development Fund shall be maintained as described herein

11 3 Telephone Directory Advertising

Franchisee acknowledges that the proper conduct of all promotion programs is not only necessary to the success of the Franchised Business, but is also likely to affect the goodwill and reputation of the Franchisor, the Proprietary Marks, and that of the System Franchisee shall prepare and place a listing for the Franchised Business in the White Pages of Franchisee's local telephone directories containing such copy as specified by the Franchisor This initial listing must list only the SLC's client service number and no other telephone number An advertisement in the Yellow Pages is not a requirement, however, if Franchisee wishes to place an advertisement in his/her local Yellow Pages, such advertisement must be approved by Franchisor before it may be placed, and any Yellow Pages advertising shall be at Franchisee's sole cost and expense

11 4 Business Ramp-Up Advertising

Franchisee shall provide Franchisor with a written plan, for Franchisor's approval, for a business commencement, launch and ramp-up advertising campaign (the "**Ramp-Up Campaign**") to be incurred in connection with the opening and initial operations of the Franchised Business and spend not less than $10,000 per service, per Zone on such Ramp-Up Campaign The Ramp-Up Campaign for the move service shall be conducted within the first 180 days of the move service of the Franchised Business being open for business The Ramp-Up Campaign for the junk removal service shall be conducted within the first 180 days of the junk removal service of the Franchised Business being open for business Franchisee will conduct the Ramp-Up Campaign strictly in accordance with the programs specified by Franchisor At Franchisor's option, it may require Franchisee to pay to Franchisor the amount for Franchisee's Ramp-Up Campaign, and Franchisor shall spend such money on Franchisee's behalf

11 5 Local Advertising

In addition to the contributions to the Brand Development Fund described above, Franchisee shall also be required to spend no less than $1,500 for moving service advertisement, per Zone, and $1,100 for junk hauling advertisement, per Zone, or 8% of Gross Sales, whichever is greater, each month on local advertising and marketing Such amount does not include the cost of marketing collateral and supplies Franchisor may, from time to time, offer Franchisee approved local marketing plans and materials on the same terms and conditions as Franchisor is then offering to its other franchisees Prior to their use by Franchisee, samples of all local marketing materials not prepared or previously approved by Franchisor shall be submitted to Franchisor for written approval, which approval shall not be unreasonably withheld,

provided that Franchisee's advertising and/or marketing materials shall only list the phone number specified by Franchisor and not any other phone number, and further provided that such advertising and/or marketing materials will only reference Franchisor's website and the telephone number of the First Contact Sales & Loyalty Center Once approved, such advertising or marketing materials will become Franchisor's property which Franchisor may use for its own purposes Upon request from Franchisor, Franchisee shall provide Franchisor with verification of all expenditures for local advertising within 30 days of such request If Franchisee fails to provide such local advertising verification or if Franchisor determines that Franchisee has not expended the required minimum for local advertising, than Franchisor reserves the right to require Franchisee to give Franchisor the money that Franchisee is required to spend on local advertising as described herein, and Franchisor shall advertise in Franchisee's local area on Franchisee's behalf In such event, Franchisor will provide reports of such local advertising to Franchisee

11 6 Cooperative Advertising

Franchisor has the right, in its sole discretion, to designate any region or area in which 2 or more Franchised Businesses are operating as an area in which to establish an advertising cooperative (the "**Cooperative**") If a Cooperative is formed among franchisees within a region, the Cooperative must receive Franchisor's approval, which will not be unreasonably withheld The Cooperative will conduct advertising campaigns for the Franchised Businesses located in that region Contributions to a Cooperative are determined by majority vote of the Franchised Businesses in the Cooperative Any amounts paid to a Cooperative will count as part of Franchisee's local advertising requirement, provided, however, that in the event any contribution to a Cooperative is less than the amount Franchisee is required to expend for local advertising, Franchisee shall nevertheless be required to spend the difference locally

Each Franchised Business owned by franchisees, Franchisor or Franchisor's affiliate(s) that are members of a Cooperative will have 1 vote on Cooperative matters, regardless of the number of Zones owned by such Franchised Business Subject to Franchisor's approval, the members of the Cooperative shall determine the contributions to be made to the Cooperative by each Franchised Business If the members choose to base contributions on a percentage of Gross Sales, then the percentage to be contributed shall not exceed 1/2 of Franchisee's local advertising requirement Alternatively, if the members choose to require a flat fee contribution, then the flat fee shall be assessed and payable on each Zone owned by each Franchised Business (therefore, a Franchised Business that has 3 Zones will pay 3 times the amount to be paid by a Franchised Business that has 1 Zone) In either case, the fee contribution shall not exceed 1/2 of Franchisee's local advertising requirement, unless otherwise agreed to by the unanimous vote of the members of the Cooperative

If a Cooperative for Franchisee's area was established before Franchisee began to operate his/her Franchised Business, then Franchisee shall immediately join that Cooperative upon the opening of the Franchised Business If a Cooperative for Franchisee's area is established after Franchisee begins to operate the Franchised Business, Franchisee will have 30 days to join the new Cooperative An individual Franchised Business will not be required to be a member of more than one Cooperative If Franchisor (or its affiliate) contribute to a Cooperative, Franchisor (or its affiliate) will have the same voting rights as other Franchised Businesses in the Cooperative

11 7 Social Media Policy

Franchisee shall strictly comply, and ensure that it's owners and employees comply, with Franchisor's social media policy, as described in the Manual and as it may be amended or updated from time to time, related to social and/or networking internet websites, including, but not limited to, Facebook, MySpace, YouTube, Yelp, LinkedIn and Twitter

ARTICLE XII

REPORTING AND FINANCIAL MANAGEMENT REQUIREMENTS

12 1 Record Keeping

Franchisee shall keep true and accurate records, including those which may be specified by Franchisor from time to time, from which all sums payable under this Agreement and the dates of accrual thereof may be readily determined Franchisee shall keep such records on his/her business premises at all times, unless Franchisor permits them to be kept at another location In any event, Franchisee shall at all times inform Franchisor of any change in the location of Franchisee's said records Franchisee shall be required to make all data and records available to Franchisor upon request All data retrieved by Franchisor from Franchisee shall become Franchisor's property Franchisor reserves the right, in its sole discretion, to share Franchisee's data, including but not limited to reports and performance information but excluding any personal data, with other franchisees in the System for purposes of comparison and development

12 2 Reporting Systems

Franchisee agrees to utilize such accounting, reporting and financial control systems as Franchisor may direct

12 2 1 Franchisee shall maintain on forms approved or provided by Franchisor a monthly sales report and monthly profit and loss statement accurately reflecting the operations and condition of said business

12 2 2 Franchisee shall employ such methods of filing, record-keeping, bookkeeping, accounting and reporting as Franchisor shall from time to time reasonably require, and shall be responsible for all costs associated therewith In that connection, Franchisee must utilize the Franchisor's required standard chart of accounts and its specified accounting software program and version

12 2 3 Franchisee shall adopt and shall strictly adhere to such methods for control and protection of cash receipts (and of records pertaining thereto) as Franchisor may from time to time direct

12 3 Reports

To enable Franchisor to verify the Continuing Royalty Fees, Support Fees, Brand Development Fees and other payments due hereunder and to monitor the progress of Franchisee and Franchisee's compliance with this Agreement, in addition to reports otherwise required under this Agreement, Franchisee shall provide to Franchisor written reports in such form and at such times as Franchisor may prescribe In addition, Franchisor shall, at all times, have on-line access to Franchisee's reports

12 3 1 Franchisee shall be required to provide the following reports to Franchisor

(a) By the 3rd and 18th day of the month, a report of the sales and income of Franchisee's Franchised Business for the previous period, including such detail as Franchisor may require and in the format required by Franchisor Such report shall include all revenue included in Gross Sales and such other revenues (for example, re-sales, consignments, scrap, recycle, etc) as Franchisor may specify For the report due to Franchisor on the 3rd of each month, the period on which the report is based shall include the 16th day of the previous month through the end of the previous month For the report due to Franchisor on the 18th day of the month, the period on which the report is based shall include the 1st through 15th days of the current month,

(b) By the 8th day of the month, a report on all disposal, team, fuel, and marketing costs for the previous month,

(c) By the 20th day of each month, an income report for the Franchised Business, including such detail as Franchisor may require and in the format required by Franchisor, and

(d) By April 15th of each year, an annual income statement prepared on a calendar year basis, including such detail as Franchisor may require and in the format required by Franchisor

(e) Franchisor reserves the right to require Franchisee to submit his/her reports at any frequency it chooses, such as weekly, monthly, quarterly, etc

12 3 2 In the event that Franchisee fails for any reason to provide any of the reports required in this Agreement or the Manual within 3 business days of the due date, Franchisee shall pay a late reporting fee equal to $150, which will increase to $250 for any consecutive failure(s) to timely submit a report within 3 business days of its due date Neither the requirement nor the receipt of such late reporting fees shall be deemed to waive or restrict the right of Franchisor to declare a default in, and terminate, this Agreement for Franchisee's failure to make timely reports

12 3 3 Reports shall be deemed timely made if personally delivered to the offices of Franchisor, electronically transmitted to and received by Franchisor, or postmarked by the U S Postal Service (with proper first-class postage prepaid) on or before the required date

12 3 4 If Franchisor is not satisfied with the timeliness, content, accuracy or sufficiency of Franchisee's reports or statements, then Franchisee must engage third party accounting services approved by Franchisor

12 4 Audit

Franchisor and its authorized representatives shall have the right at all times during the business day to enter Franchisee's Franchised Business or any other location where books and records relative to the Franchised Business are kept, and to inspect, copy and audit such books and records, including, without limitation, Franchisee's state and federal income tax returns and state sales and use tax and personal property tax returns, and Franchisee hereby waives any privileges with regard to any tax returns Franchisee shall cooperate completely and in good faith with such audit, and shall provide and explain all records requested by such auditor or necessary to provide information sought by such auditor

12 4 1 In the event that any such inspection or audit reveals a variance of more than 2% from amounts reported by Franchisee to Franchisor, Franchisee shall pay the amount of the deficiency o r $500, whichever is greater, and shall reimburse Franchisor for the cost of such audit In addition to any other rights it may have, including the right of termination of this Agreement, Franchisor may conduct such further periodic audits and/or inspections of Franchisee's books and records as it reasonably deems necessary for up to 1 year thereafter at Franchisee's sole expense, including, without limitation, reasonable professional fees, travel, and lodging expenses directly related thereto

12 4 2 If such audit or inspection discloses that Franchisee has underpaid any sums due Franchisor under this Agreement, Franchisee shall pay the same immediately, plus interest charges If such audit or inspection reveals any overpayment by Franchisee, the amount thereof shall be credited against continuing fees next falling due

12 4 3 In the event that there is a deficiency, this deficiency shall be considered a material default of this Agreement and Franchisor shall have the right to terminate this Agreement without providing Franchisee the opportunity to cure the default

ARTICLE XIII

INDEPENDENT CONTRACTOR AND INDEMNIFICATION

13 1 Independent Parties

It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them, that Franchisee is, and shall at all times be and remain, an independent contractor, and that nothing in this Agreement is intended to constitute either party as an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever

13 2 Independent Contractor

During the term of this Agreement and any renewal hereof, Franchisee shall hold himself/herself out to the public as an independent contractor operating the business pursuant to a franchise granted by the Franchisor Franchisee shall take such affirmative action as may be necessary to indicate same, including, without limitation, exhibiting a notice of that fact in a conspicuous place on the Service Vehicle, business cards, and letterhead, the content of which the Franchisor reserves the right to specify

13 3 Indemnification by Franchisee

Franchisee agrees at all times to defend, at his/her own cost, and to indemnify and hold harmless to the fullest extent permitted by law, Franchisor, its corporate parent, the corporate subsidiaries, affiliates, successors, assigns, and designees of either entity and the respective directors, officers, employees, agents, shareholders, designees, and representatives of each (Franchisor and all others hereinafter referred to collectively as "**Indemnitees**") from all losses and expenses (as hereinafter defined) incurred in connection with any action, suit, proceeding, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof which arises out of or is based upon any of the following Franchisee's infringement or any other violation of any patent, trademark or copyright or other proprietary right owned or controlled by third parties, Franchisee's violation or breach of any contract, federal, state, or local law, regulation, ruling, standard, or directive or of any industry standard, libel, slander or any other form of defamation by Franchisee, Franchisee's violation or breach of any warranty, representation, agreement, or obligation in this Agreement, any acts, errors, or omissions of Franchisee or any of his/her agents, servants, employees, contractors, partners, proprietors, affiliates, or in any manner in connection with the Franchised Business, the inaccuracy, lack of authenticity, or non-disclosure of any information by Franchisee, any service provided by Franchisee at, from, or related to the operation at the Approved Location or from the Service Vehicle, or any services provided by any affiliated or non-affiliated participating entity For the purpose of this Section, the term "losses and expenses" shall be deemed to include all losses, compensatory, exemplary or punitive damages, fines, charges, costs, expenses, lost profits, attorneys' fees, experts' fees, court costs, settlement amounts, judgments, compensation for damages to Franchisor's reputation and goodwill, costs of or resulting from delays, financing, costs of advertising material and media time/space, and costs of changing, substituting, or replacing same, and any and all expenses of recall, refunds, compensation, public notices, and other such amounts incurred in connection with the matters described Franchisee agrees to give Franchisor notice of any such action, suit, proceeding, claim, demand, inquiry, or investigation Franchisor reserves the right to assume the defense for such action, suit, proceeding, claim, demand, inquiry or investigation, at Franchisee's expense The foregoing indemnification shall not apply to losses or expenses arising from Franchisor's gross negligence or willful acts

13 3 1 At the expense and risk of Franchisee, Franchisor may elect to assume (but under no circumstance is obligated to undertake) the defense and/or settlement of any such action, suit, proceeding, claim, demand, inquiry or investigation, provided that Franchisor will seek the advice and counsel of Franchisee and shall keep Franchisee informed with regard to any such proposed or contemplated settlement(s) Such an undertaking by Franchisor shall in no manner or form diminish Franchisee's obligation to indemnify Franchisor and to hold it harmless

13 3 2 All losses and expenses incurred under this Section 13 3 shall be chargeable to and paid by Franchisee pursuant to his/her obligations of indemnity under this Section, regardless of any actions, activity or defense undertaken by Franchisor or the subsequent success or failure of such actions, activity or defense

13 3 3 The Indemnitees do not assume any liability whatsoever for acts, errors, or omissions of those with whom Franchisee may contract, regardless of the purpose Franchisee shall hold harmless and indemnify the Indemnitees for all losses and expenses which may arise out of any acts, errors, or omissions of these third parties

13 3 4 Under no circumstances shall the Indemnitees be required or obligated to seek recovery from third parties or otherwise mitigate their losses in order to maintain a claim against Franchisee Franchisee agrees that the failure to pursue such recovery or mitigate loss will in no way reduce the amounts recoverable by the Indemnitees from Franchisee

13 4 Indemnification by Franchisor

Franchisor agrees at all times to defend, at its own cost, and to indemnify and hold harmless to the fullest extent permitted by law Franchisee, its corporate parent, the corporate subsidiaries, affiliates, successors, assigns, and designees of either entity, and the respective directors, officers, employees, agents, shareholders, designees, and representatives of each from all losses and expenses (as hereinafter defined) incurred in connection with any action, suit, proceeding, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof which arises out of or is based upon any of the following Franchisor's infringement or any other violation of any patent, trademark, or copyright or other proprietary right owned or controlled by third parties, Franchisor's violation or breach of any contract, federal, state, or local law, regulation, ruling, standard, or directive or of any industry standard, libel, slander, or any other form of defamation by Franchisor, Franchisor's violation or breach of any warranty, representation, agreement, or obligation in this Agreement For the purpose of this Section, the term "losses and expenses" shall be deemed to include all losses, compensatory, exemplary, or punitive damages, fines, charges, costs, expenses, lost profits, attorneys' fees, experts' fees, court costs, settlement amounts, judgments, compensation for damages to Franchisee's reputation and goodwill, costs of or resulting from delays, financing, costs of advertising material and media time/space, and costs of changing, substituting, or replacing same, and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described Franchisor agrees to give Franchisee notice of any such action, suit, proceeding, claim, demand, inquiry, or investigation The foregoing indemnification shall not apply to losses or expenses arising from Franchisee's gross negligence

ARTICLE XIV

CONFIDENTIAL INFORMATION

14 1 Types of Confidential Information

Franchisee shall not, during the term of this Agreement or at any time thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, association or corporation any confidential information or Know How concerning, among other things, client identities and information, as well as the methods of operation of the Franchised Business hereunder which may be communicated to Franchisee, or of which Franchisee may become apprised, by virtue of the operation of the Franchised Business at the Approved Location or from the Service Vehicle under this Agreement Franchisee shall divulge such confidential information only to such of his/her employees or officers and directors who must have access to it in order to operate the Franchised Business Any and all information, knowledge and know how, including, without limitation, the materials, equipment, specifications, techniques, and other data which the Franchisor designates as confidential shall be deemed confidential for purposes of this Agreement, except information which Franchisee can demonstrate came to his/her attention prior to disclosure thereof by the Franchisor, or which, at the time of disclosure by the Franchisor to Franchisee, had become a part of the public domain through publication or communication by others, or which, after disclosure to Franchisee by the Franchisor, becomes a part of the public domain through publication or communication by others

14 2 Disclosure and Limitations on Use

Franchisee shall require all personnel having access to any Know How or confidential information provided by the Franchisor, or otherwise playing a role in the solicitation or provision of the Services or related services to clients, to execute covenants that they will maintain the confidentiality of information they received in connection with their employment or engagement by Franchisee, in accordance with the form provided as Exhibit "B" hereto It is expressly understood that Franchisor is designated as a third-party beneficiary of such covenants with the independent right to enforce them

14 3 Confidentiality Obligations

Franchisee acknowledges that any actual or threatened failure to comply with the requirements of this Article XIV will cause the Franchisor to suffer immediate and irreparable injury, non-compensable by the payment of mere money damages, permitting Franchisor with or without notice to seek immediate injunctive relief Franchisee agrees to pay all court costs and reasonable attorneys' fees incurred by the Franchisor when Franchisor seeks to obtain specific performance or an injunction against violation of the requirements of this Article XIV

ARTICLE XV

COVENANTS NOT TO COMPETE

15 1 In-Term Covenants

Franchisee specifically acknowledges that, pursuant to this Agreement, Franchisee shall receive valuable training and confidential information, including, without limitation, information regarding the promotional, operational, sales, and marketing methods and techniques of the Franchisor and the System, and that the covenants not to compete set forth below are fair and reasonable and will not impose any undue hardship on Franchisee, since Franchisee has other considerable skills, experience, and education which afford Franchisee the opportunity to derive income from other endeavors Franchisee covenants that during the term of this Agreement and for a period of 2 years thereafter, except as otherwise approved in writing by the Franchisor, Franchisee shall not, either directly or indirectly, for himself/herself, or through, on behalf of, or in conjunction with any person, persons, or legal entity

15 1 1 Divert or attempt to divert any business or client of the Franchised Business hereunder to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System,

15 1 2 Directly or indirectly influence or attempt to influence any employee, officer, director, agent, representative, or contractor, of any other Franchised Business, to terminate or modify his, her or its position or relationship with their current respective employer (any other Franchised Business),

15 1 3 Directly or indirectly make statements, or take any other actions, which solicit, divert, recruit, take away or attempt to solicit, divert, recruit or take away any current employees of Franchisor or any another Franchised Business,

15 1 4 Directly or indirectly, persuade or entice, or attempt to persuade or entice any employee or consultant of another Franchised Business to terminate his/her employment or service relationship with the Franchised Business, participate in any manner in the formation of any competing business, or to do any other act that is inconsistent with the interests of the System,

15 1 5 Directly or indirectly, persuade or entice, or attempt to persuade or entice any employee to terminate, cancel, rescind or revoke its business or contractual relationships with any another Franchised Business, in whole or in part, or

15 1 6 Own, maintain, advise, help, invest in, make loans to, be employed by, engage in, or have any interest in any business (including any business operated by Franchisee prior to entry into this Agreement) specializing, in whole or in part, in the activities conducted by the Franchisee, and any other type of service which Franchisee may be authorized to render hereunder and sell any other products and services which Franchisee may be authorized to sell hereunder

Notwithstanding the foregoing, if Franchisee is in need of additional employees for their Franchised Business and wants to ascertain the availability of an existing employee of another Franchised Business, Franchisee must first get written approval from the owner of the Franchised Business that employs said employee If the other owner of the Franchises Business give their approval, then Franchisor will approve a general employment advertisement across the entire System, instead of targeting a certain Franchised Business' employee

15 2 Post-Term Covenants

15 2 1 Franchisee covenants that, except as otherwise approved in writing by the Franchisor, Franchisee shall not, for a continuous uninterrupted period commencing upon the expiration or termination of this Agreement, regardless of the cause for termination, or upon transfer of this Agreement or the Franchised Business pursuant to Article XVI hereof, and continuing for 2 years thereafter (and in case of any violation of this covenant, for 2 years after the violation ceases), either directly or indirectly, for himself/herself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, advise, help, invest in, make loans to, be employed by, engage in, or have any interest in any business specializing, in whole or in part, in the activities conducted by the Franchisee or any other type of service which Franchisee may be authorized to render hereunder

(a) Within a radius of 50 miles of Franchisee's premises or Approved Location, or

(b) Within a radius of 50 miles of the location of any business using the System and/or the Proprietary Marks, whether franchised or owned by the Franchisor or its subsidiary or affiliated companies

Notwithstanding the foregoing, if this Agreement is for a conversion franchise, the provisions of this Section 15 2 1 shall be waived

15 2 2 Franchisee shall not, for a continuous uninterrupted period commencing upon the expiration or termination of this Agreement, regardless of the cause for termination, or upon transfer of this Agreement or the Franchised Business pursuant to Article XVI hereof, and continuing for 2 years thereafter (and in case of any violation of this covenant, for 2 years after the violation ceases), either directly or indirectly, make any disparaging or otherwise derogatory comments or statements, orally or in writing, including, without limitation, any e-mails, text messages or other form of communication, to others concerning the character or business practices of, or in any way tending to harm the reputation and standing of, Franchisor or its affiliates or their respective officers, directors, owners, employees, representatives, agents, successors or assigns Notwithstanding the foregoing, the provisions of this Section 15 2 2 shall not prevent or restrict Franchisee from making any truthful statement in connection with any legal proceeding or investigation by any governmental authority

15 3 Amendment of Covenants

The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement If all or any portion of a covenant in this Article XV is held unreasonable or unenforceable by a court or agency having valid jurisdiction in any unappealed final decision to which the Franchisor is a party, Franchisee expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law as if the resulting covenant were separately stated in and made part of this Article XV

15 4 Franchisor May Amend

Franchisee understands and acknowledges that the Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Sections 15 1 and 15 2 of this Agreement, or any portion thereof, without Franchisee's written consent, effective immediately upon receipt by Franchisee of written notice thereof Franchisee agrees that he/she shall comply forthwith with any covenant as so modified, which will be fully enforceable notwithstanding the provisions of this Article XV

15 5 Existence of Claim

Franchisee expressly agrees that the existence of any claim that he/she may have against the Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by the Franchisor of the covenants in this Article XV

15 6 Injunction

Franchisee acknowledges that any threatened or actual failure to comply with the requirements of this Article XV would cause the Franchisor to suffer immediate and irreparable injury for which no adequate remedy at law may be available, and Franchisee hereby accordingly consents to the *ex parte* entry of an injunction prohibiting any conduct by Franchisee in violation of the terms of this Article XV The Franchisor may further avail itself of any other legal or equitable rights and remedies which it may have under this Agreement, statute, common law or otherwise

15 7 Additional Covenants

At the Franchisor's request, Franchisee shall require and obtain execution of covenants identical in scope to those set forth in this Article XV (including covenants applicable upon the termination of a person's relationship with Franchisee) from any or all of the following persons

15 7 1 Any key persons employed by Franchisee who have received training from Franchisor (it being understood that employees with the rank of "crew leader" and above will be considered "key persons"),

15 7 2 All officers, directors and holders of a beneficial interest of 5% or more of the securities of Franchisee, and of any entity directly or indirectly controlling Franchisee, if Franchisee is a corporation or limited liability company,

15 7 3 The general partners and any limited partners (including any corporation or limited liability company, and the officers, directors, and holders of a beneficial interest of 5% or more of the securities of any corporation which controls, directly or indirectly, any general or limited partner), if Franchisee is a partnership, and

15 7 4 Each covenant required to be executed pursuant to this Section 15 7 shall be on a form supplied by the Franchisor, including, without limitation, specific identification of the Franchisor as a third-party beneficiary of such covenants with the independent right to enforce them Failure by Franchisee to obtain execution of a covenant required by this Section 15 7 shall constitute a default under Section 17 3 hereof

15 8 Liquidated Damages

If Franchisee or any of its owners fail to comply with any non-competition covenant required by this Agreement, Franchisee agrees to (a) immediately cease and desist such non-compliance, and (b) pay to Franchisor liquidated damages in the amount of $10,000 for each violation Franchisor reserves all other rights and remedies available to it, including the right to terminate this Agreement

ARTICLE XVI

ASSIGNMENT AND RIGHT OF FIRST REFUSAL

16 1 Assignment by Franchisor

Franchisor shall have the right, without the need for Franchisee's consent, to assign, transfer or sell its rights under this Agreement to any person, partnership, corporation or other legal entity provided that the transferee agrees in writing to assume all obligations undertaken by Franchisor herein and Franchisee receives a statement from both Franchisor and its transferee to that effect Upon such assignment and assumption, Franchisor shall be under no further obligation hereunder, except for accrued liabilities, if any Franchisee further agrees and affirms that Franchisor may go public, may engage in a private placement of some or all of its securities, may merge, acquire other corporations, or be acquired by another corporation, and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring With regard to any of the above sales, assignments and dispositions, Franchisee expressly and specifically waives any claims, demands or damages arising from or related to the loss of Franchisor's name, Proprietary Marks (or any variation thereof) and System and/or the loss of association with or identification of CHHJ Franchising L L C as Franchisor under this Agreement Franchisee specifically waives any and all other claims, demands or damages arising from or related to the foregoing merger, acquisition and other business combination activities including, without limitation, any claim of divided

loyalty, breach of fiduciary duty, fraud, breach of contract or breach of the implied covenant of good faith and fair dealing

Franchisee agrees that Franchisor has the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or non-competitive franchise network, chain or any other business, regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as College Hunks Moving® facilities operating under the Proprietary Marks or any other marks following Franchisor's purchase, merger, acquisition or affiliation, regardless of the location of these facilities, which Franchisee acknowledges may be proximate to Franchisee's location

If Franchisor assigns its rights in this Agreement, nothing herein shall be deemed to require Franchisor to remain in the business of providing junk removal services or to offer or sell any products or related services to Franchisee

Franchisee acknowledges that Franchisor may assign this Agreement as part of a sale, transfer or other disposition of all or part of the System to an entity or entities which engage(s) in similar or competitive businesses Franchisee acknowledges that any such successor shall be deemed to possess, in addition to all other rights, those specific rights reserved to Franchisor in Section 3 2 hereof, provided, however, that in the event of a sale or merger by Franchisor with a competitive franchise network, chain or other business, and if such sale or merger would result in a competing business being located in Franchisee's Designated Territory, Franchisee shall have the option, to be exercised within 30 days after notice from Franchisor concerning such sale or merger, to request that Franchisor buy back the Franchised Business according to the terms and conditions set forth in Article XXII below

16 2 Assignment by Franchisee

Neither Franchisee's interest in this Franchise Agreement nor any of his/her rights or privileges hereunder, nor the Franchised Business nor any interest therein, may be assigned, transferred, shared or divided, voluntarily or involuntarily, directly or indirectly, without the prior written consent of Franchisor, which shall not be unreasonably withheld, and without the Franchisee first complying with Section 16 2 1 hereof (The use of the term "**assignment**" herein encompasses any actual or purported assignment, sale, transfer or other arrangement having the purpose or effect of shifting ownership or control interests in the Franchised Business) Any actual or purported assignment of this Agreement or of the Franchised Business in violation of the terms hereof shall be null and void and shall constitute an incurable breach of this Agreement The actual or purported transfer in the aggregate of more than 50% of the Franchised Business or the ownership or voting rights in Franchisee shall be deemed to be an "assignment" hereunder

16 2 1 If the assignment is of this Agreement or a controlling interest in Franchisee or the Franchised Business, or is one of a series of transfers which in the aggregate constitute the transfer of this Agreement or a controlling interest in Franchisee or the Franchised Business, Franchisor's consent (such consent not to be unreasonably withheld) to the assignment shall be subject to the following conditions

(a) The assignee must demonstrate that it has the skills, qualifications, licensing and economic resources necessary, in Franchisor's judgment, to conduct the Franchised Business and to fulfill its obligations to Franchisee and to Franchisor

(b) The assignee must expressly assume in writing all of the obligations of Franchisee under this Franchise Agreement

(c) As of the date of any such assignment, Franchisee shall have fully complied with all of his/her obligations to Franchisor, whether under this Agreement or any other agreement, arrangement or understanding with Franchisor

(d) The assignee must execute a new Franchise Agreement in the form and on the terms and conditions then being offered by Franchisor to franchisees (except that the assignee shall not be obligated to pay another Initial Franchise Fee) The term of such new Franchise Agreement shall expire on the expiration date of this Franchise Agreement

(e) Franchisee shall pay the Franchisor a transfer fee equal to $15,000 for Franchisee's entire Designated Territory

(f) The assignee shall satisfactorily complete the training then required of all new franchisees

(g) Franchisor shall be furnished copies of the executed contract between Franchisee and any such assignee and all related documentation

(h) The Franchisee must have executed a general release in a form satisfactory to the Franchisor of any and all claims against the Franchisor, its subsidiaries, affiliates, and designees, and its officers, directors, shareholders and employees in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances

(i) The assignee shall not be affiliated in any way with a competitor of Franchisor

16 2 2 Upon the death of Franchisee, or in the event Franchisee is determined to suffer any legal incapacity (or, if Franchisee is a corporation, limited liability company or partnership, then upon the death or legal incapacity of the shareholder, member or partner responsible for the operation of Franchised Business), the transfer of Franchisee's interest to his/her heirs, legatees, personal representatives or conservators, surviving partner(s) or fellow shareholder(s), as applicable, shall not constitute an "assignment" hereunder and shall not give rise to the Franchisor's right of first refusal to purchase the Franchised Business as set forth in Section 16 4 hereof, if the following conditions are met

(a) The heirs, legatees, personal representatives, conservators, surviving partner(s) or fellow shareholder(s), as applicable, meet the Franchisor's standards for qualification of new franchisees and agree in writing to be bound by the terms and conditions of this Agreement

(b) Within 90 days after the death or incapacity of the Franchisee (or, if Franchisee is a corporation, limited liability company or a partnership, within 90 days after the death or incapacity of the principal shareholder, member or partner of Franchisee responsible for the operation of the Franchised Business), a person designated by Franchisee's heirs, legatees, personal representative(s), conservator(s), surviving partners or fellow shareholders or members, as applicable, shall have satisfactorily completed Franchisor's then-current training requirements If at the time of such death or incapacity Franchisee has employed a manager who has satisfactorily completed any version of Franchisor's Training Program, this requirement shall be deemed satisfied

(c) In order to prevent any interruption of the Franchised Business operations which would cause harm to the Franchised Business, thereby depreciating the value thereof, Franchisee authorizes Franchisor, who may, at its option, in the event that Franchisee is absent for any reason or is incapacitated by reason of illness and is unable, in the sole and reasonable judgment of Franchisor, to operate the Franchised Business, operate the Franchised Business for so long as Franchisor deems necessary and practical, and without waiver of any other rights or remedies Franchisor may have under this Agreement All monies from the operation of the Franchised Business during such period of operation by Franchisor shall be kept in a separate account, and the expenses of the Franchised Business, including

reasonable compensation and expenses for Franchisor's representative, shall be charged to said account If, as herein provided, Franchisor temporarily operates the Franchised Business franchised herein for Franchisee, Franchisee agrees to indemnify and hold harmless Franchisor and any representative of Franchisor who may act hereunder, from any and all acts which Franchisor may perform, as regards the interests of Franchisee or third parties

16 3 Transfer to a Corporation or Limited Liability Company

In the event Franchisee desires to transfer his/her interests herein to a corporation or limited liability company formed by Franchisee solely for the convenience of ownership, Franchisee must obtain the prior written consent of Franchisor, which consent shall be granted if

16 3 1 Franchisee shall be the owner of all the voting stock of the corporation or all of the membership interests, as applicable, or, if Franchisee comprises more than 1 individual, each such individual shall have the same proportionate ownership interest in the corporation or limited liability company as it held in Franchised Business prior to the contemplated transfer, and

16 3 2 Appropriate forms of corporate resolutions, minutes and/or consents, which have been duly adopted, are furnished to Franchisor prior to the transfer

16 4 Right of First Refusal

The right of Franchisee to assign, transfer or sell his/her interest in this Agreement (voluntarily or by operation of law) and/or the Franchised Business, as provided above, shall be subject to Franchisor's right of first refusal with respect thereto (Franchisor shall maintain the option of waiving this right in writing) That is, Franchisor shall have the right to be offered by Franchisee the opportunity to purchase such interest in this Agreement and/or the Franchised Business on the terms and conditions which have been offered to and accepted by a third party in a wholly arms-length transaction Franchisor's right of first refusal shall be exercised in the following manner

16 4 1 Franchisee shall serve upon Franchisor a written notice setting forth all of the terms and conditions of the proposed assignment which shall specify the purchase price established by the parties and include reasonably complete information concerning the identity, financial standing and character of the proposed purchaser Franchisee shall attach to such notice a copy of a binding agreement between Franchisee and the proposed purchaser, which agreement shall, however, be subject to cancellation if Franchisor exercises its right of first refusal hereunder or disapproves of the proposed transfer under Section 16 2

16 4 2 Within 30 days after Franchisor's receipt of such notice (or, if Franchisor shall request additional information, within 30 days after receipt of such additional information), Franchisor may, at its option, purchase the Franchised Business upon the terms and conditions specified in the notice and the agreement attached thereto

16 4 3 If Franchisor shall elect not to exercise its right of first refusal and shall consent to an assignment, Franchisee shall, subject to the provisions of this Article, be free to assign this Agreement and/or the Franchised Business to such proposed assignee on the terms and conditions specified in said notice and the agreement attached thereto If, however, the terms of such agreement shall be materially modified after submission thereof to the Franchisor, Franchisor shall have such right to evaluate such modified agreement for an additional 30 days and, if it chooses to do so, exercise its right of first refusal with respect thereto

16 5 Franchisor Must Approve

Franchisee shall not have the right to pledge, encumber, hypothecate or otherwise give any third party any security interest in this Agreement or in the Proprietary Properties or the Franchised Business in any manner whatsoever without the express written permission of Franchisor, which permission may be withheld for any reason

16 6 Addition of Principal

If, at any time during the term of this Agreement, Franchisee wishes to add a person to this Agreement, whether as "Franchisee" or as one of Franchisee's Principals, Franchisee agrees to pay Franchisor a fee equal to $2,500 to reimburse Franchisor for all costs related to such addition unless such person is a spouse or children of Franchisee or its Principals In any event, any additional person must meet Franchisor's qualifications and standards for franchisees

ARTICLE XVII

DEFAULT AND TERMINATION

17 1 Termination Upon Receipt of Notice

Franchisee shall be deemed to be in default under this Agreement, and all rights granted herein shall automatically terminate upon receipt of notice to Franchisee, if Franchisee, or any of Franchisee's partners, if Franchisee is a partnership, or any of its officers, directors, shareholders, or members, if Franchisee is a corporation or limited liability company, or the Franchised Business shall become insolvent, or if Franchisee shall make a general assignment for the benefit of creditors, or if a petition in bankruptcy is filed by or against Franchisee or the Franchised Business and is not dismissed within 60 days of the filing thereof, or if Franchisee or the Franchised Business is adjudicated as bankrupt or insolvent, or if a bill in equity or other proceeding for the appointment of a receiver or other custodian of Franchisee or the Franchised Business or its assets is filed and consented to by Franchisee or the Franchised Business, or if a receiver or other permanent or temporary custodian of Franchisee's assets or property, or any part thereof, or of the Franchised Business is appointed by any court of competent jurisdiction, or if proceedings for a composition with creditors under any state or federal law should be instituted by or against Franchisee or the Franchised Business, or if a final judgment against Franchisee or the Franchised Business remains unsatisfied or of record for 30 days or longer (unless a supersedeas bond is filed), or if Franchisee or the Franchised Business is dissolved, or if a suit to foreclose any lien or mortgage against the Franchisee or the Franchised Business with respect to his/her or its personal, real or mixed property is instituted against Franchisee or the Franchised Business and is not dismissed within 30 days from the date such suit is instituted, or if execution is levied against Franchisee or the Franchised Business or the property of either of them, or if the real or personal property of Franchisee or the Franchised Business shall be sold after levy thereupon by any sheriff, marshal or constable

17 2 Termination Without Right to Cure

Upon the occurrence of any of the following events, Franchisee shall be deemed to be in default and Franchisor may, in its sole and exclusive discretion, terminate this Agreement and all rights granted hereunder without affording Franchisee any opportunity to cure the default Termination under this Section shall be effective immediately upon receipt of Franchisor's notice by Franchisee upon the occurrence of any of the following

17 2 1 If Franchisee abandons the Franchised Business by failing to operate such business for a period of 10 consecutive days, or any shorter period after which it is reasonable for Franchisor to conclude that Franchisee does not intend to continue to operate the Franchised Business, unless such failure to operate is due to fire, flood, earthquake, or other similar causes beyond the reasonable control of Franchisee,

17 2 2 If Franchisee, or any owner or shareholder, director or officer of a corporate or limited liability company franchisee, or any partner or officer of a franchisee conducting business as a partnership, is convicted of a felony, a fraud, a crime involving moral turpitude or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect on the System, the Proprietary Marks, or the goodwill associated therewith,

17 2 3 If the Franchisee makes any material misrepresentation relating to the creation, acquisition or operation of the Franchised Business or engages in conduct which reflects materially and unfavorably upon the operation and reputation of the Franchised Business, Franchisor or the System,

17 2 4 If the Franchisee fails to obtain or maintain the insurance required by this Agreement

17 2 5 If a third default by Franchisee occurs within any 12-month period, notwithstanding that a prior default was cured,

17 2 6 If Franchisee's default under this Agreement is by its very nature incapable of being cured, or

17 2 7 If Franchisee (or its Managing Owner) (i) fails to attend and successfully complete Franchisor's Training Program, (ii) fails to satisfactorily complete any required enrichment training, or (iii) fails on 2 or more occasions to attend the required Annual Meeting and such absences are not excused by Franchisor in writing

17 3 Termination With Right to Cure

Except as otherwise provided in this Agreement, Franchisee shall have either 10 or 30 days after receipt from Franchisor of a written notice of termination in which to remedy any default hereunder (or, if the default cannot reasonably be cured within such 10 or 30-day period, to initiate within that time substantial and continuing action to cure the default) and to provide evidence thereof to Franchisor If any default is not cured within that time (or if substantial and continuing action to cure the default is not initiated within that time), or such other period as applicable law may require, this Agreement shall terminate without further notice to Franchisee effective immediately upon expiration of the 30-day period, or such longer period as applicable law may require Such defaults shall include, without limitation, the occurrence of any of the following events

17 3 1 If Franchisee fails, refuses or neglects promptly to pay when due any monies owed to Franchisor (or its affiliates, subsidiaries or designees) or to Franchisee's landlord or fails, refuses or neglects promptly, accurately or completely to submit financial or other information required by Franchisor under this Agreement and fails to cure such default within 10 days after receiving written notice, or makes any false statements in connection therewith,

17 3 2 If Franchisee fails to obtain Franchisor's prior written approval or consent where the same is required pursuant to this Agreement,

17 3 3 If Franchisee misuses, or uses in an unauthorized manner, any of Franchisor's Proprietary Marks, Know How, Copyrights or Software or materially impairs the goodwill associated therewith or Franchisor's rights therein,

17 3 4 If Franchisee participates in any business or in the marketing of any service or product under a name or mark which, in Franchisor's opinion, is confusingly similar to any of the Proprietary Marks or if Franchisee (or any of its equity holders, directors, officers, partners or employees) acquires any interest in a business similar to the Franchised Business, except that Franchisee or such other persons may own less than 5% of the shares of any company listed on any national or regional securities exchange or whose shares are traded through a recognized exchange,

17 3 5 If Franchisee violates or fails to comply with any state or federal law or ordinance that in any manner relates to or impacts upon the provision of or ability to provide junk removal and related services hereunder by Franchisee as an entity, or by any individuals who exercise any level of dominion or control over the operations of Franchisee, including, without limitation, a conviction based upon such a violation, allegation or charge of such violation without explanation that Franchisor shall deem to be reasonably satisfactory, or failure on Franchisee's part to inform Franchisor of the existence of, threat of, charge or allegation of, or conviction of such violation,

17 3 6 If Franchisor exercises its right to buy-out Franchisee pursuant to Section 22 1 and Franchisee refuses to accept the buy-out,

17 3 7 If Franchisee sells, sublicenses, assigns or transfers any interest in this Agreement or the Franchised Business in violation of this Agreement, following a 30-day notice to cure,

17 3 8 If Franchisee violates any covenant not to compete set forth in Article XV of this Agreement, following a 30-day notice to cure,

17 3 9 If Franchisee fails to commence the operation of the Franchised Business within the time provided in this Agreement, following a 30-day notice to cure,

17 3 10 If Franchisee purports to transfer any rights or obligations under this Agreement or any interest in Franchisee to any third party without Franchisor's prior written consent or otherwise in violation of the terms of this Agreement following a 30-day notice to cure,

17 3 11 If Franchisee fails or refuses to perform junk removal and related services for clients following a 10-day notice to cure, or

17 3 12 If Franchisee fails to comply with any other provision or requirement of this Agreement, the System, or the Manual following a 30-day notice to cure

17 4 Cross-Defaults, Non-Exclusive Remedies, etc

Any default by Franchisee (or any person/Company affiliated with Franchisee) under this Agreement may be regarded as a default under any other agreement between Franchisor (or any affiliate of Franchisor) and Franchisee (or any affiliate of Franchisee) Any default by Franchisee (or any person/Company affiliated with Franchisee) under any other agreement, including, but not limited to, any lease and/or sublease, between Franchisor (or any affiliate of Franchisor) and Franchisee (or any person/Company affiliated with Franchisee), and any default by Franchisee (or any person/Company affiliated with Franchisee) under any obligation to Franchisor (or any affiliate of Franchisor) may be regarded as a default under this Agreement Any default by Franchisee (or any person/Company affiliated with Franchisee) under any lease, sublease, loan agreement, security interest or otherwise, whether with Franchisor, any affiliate of Franchisor and/or any third party may be regarded as a default under this

Agreement and/or any other agreement between Franchisor (or any affiliate of Franchisor) and Franchisee (or any affiliate of Franchisee)

In each of the foregoing cases, Franchisor (and any affiliate of Franchisor) will have all remedies allowed at law, including termination of Franchisee's rights (and/or those of any person/Company affiliated with Franchisee) and Franchisor's (and/or Franchisor's affiliates') obligations No right or remedy which Franchisor may have (including termination) is exclusive of any other right or remedy provided under law or equity and Franchisor may pursue any rights and/or remedies available

17 5 Limitation on Rights of Termination

Notwithstanding anything to the contrary contained in this Article, if any valid, applicable law or regulation of a competent governmental authority having jurisdiction over this franchise and the parties hereto shall limit Franchisor's rights of termination hereunder or shall require longer notice periods than those set forth above, this Agreement shall be deemed amended to satisfy the minimum notice periods or restrictions upon such termination required by such laws and regulations, provided, however, that such constructive amendment shall not be deemed a concession by Franchisor that the grounds for termination set forth herein do not constitute "good cause" for termination within the meaning ascribed to that term by any applicable law or regulation Franchisor shall not be precluded from contesting the validity, enforceability or application of such laws or regulations in any action, hearing or proceeding relating to this Agreement or the termination thereof

17 6 Non-Compliance Fee

For any violation of this Agreement or the standards and specifications contained in the Manual, Franchisor may assess Franchisee a non-compliance fee of up to $2,000 per occurrence, as outlined in the Manual (the "**Non-Compliance Fee**") Such Non-Compliance Fee shall be assessed for, among other things, Franchisee's failure to (a) comply with all standards, specifications and requirements set forth by Franchisor, (b) maintain the Service Vehicles, including maintenance related to performance of the Service Vehicle, appearance and safety issues, (c) comply with requirements of the SLC, including missed appointments or responding to calls within the required timeframe, whether or not initiated by the SLC, the Franchisor, or customers, (d) failure to timely and accurately report Gross Sales, (e) multiple customer service complaints, (f) respond to multiple customer service complaints within 24 hours, and (f) have all of its employees providing the Services present a neat and clean appearance and to wear the required uniform The Non-Compliance Fee amounts for the various violations will be described in the Manual and will vary depending on the nature, type and frequency of non-compliance events, as determined by Franchisor in its sole discretion (with the amount increasing due to Franchisor's determination of significance, frequency and materiality) Franchisor reserves all other rights and remedies available to it under this Agreement

17 7 Franchisor's Right to Discontinue Services to Franchisee

If Franchisee is in breach of any obligation under this Agreement, and Franchisor delivers to Franchisee a notice of termination pursuant to this Article XVII, Franchisor has the right to suspend its performance of any of its obligations under this Agreement including, without limitation, the sale or supply of any services or products for which Franchisor is an approved supplier to Franchisee and/or suspension of Franchisee's webpage on Franchisor's Website, until such time as Franchisee corrects the breach

ARTICLE XVIII

POST-TERM OBLIGATIONS AND RIGHTS

18 1 Discontinue Use of Proprietary Properties

In the event of termination or expiration of this Franchise Agreement, Franchisee shall forthwith discontinue the use of the Proprietary Marks, Know How, Copyrights and Software, and Franchisee shall not thereafter operate or do business under any name or in any manner that might tend to give the general public the impression that he/she is in any manner affiliated with Franchisor or a College Hunks Moving® business, or any business similar thereto, and Franchisee shall not thereafter use, in any manner, or for any purpose, directly or indirectly, any of Franchisor's confidential information, knowledge or know-how concerning the operation, products, services, trade secrets, procedures, policies, techniques or materials or by virtue of the relationship established by this Agreement, including, without limitation, the following

18 1 1 Standards, specifications or descriptions of Franchisor's products and services,

18 1 2 Franchisor's Manual and any supplements thereto,

18 1 3 Any forms, advertising matter, marks, devices, signs, insignia, slogans or designs used from time to time in connection with the Franchised Business,

18 1 4 Any copyrights, trademarks, trade names and patents now or hereafter applied for or granted in connection therewith, or any marks, logos, words or phrases confusingly similar thereto or colorable imitations thereof,

18 1 5 Any telephone number listed in any telephone directory under the name College Hunks Moving® or any similar designation or directory listing which relates to the Franchised Business, and

18 1 6 Any and all of the systems, procedures, techniques, criteria, concepts, designs, advertising and promotional techniques, products or service specifications, and all other components, specifications and standards which comprise (or in the future may comprise) part of the System

18 2 Cancellation of Name

Upon termination or expiration of this Agreement, Franchisee shall take such action as may be necessary to cancel any assumed name or equivalent registration which contains any name or mark identical or similar to College Hunks Moving® or any other name, trademark or service mark of Franchisor, and Franchisee shall furnish Franchisor with proof of discharge of this obligation within 30 days following the termination or expiration of this Agreement

18 3 Franchisor is Attorney-in-Fact

Franchisor may, if Franchisee fails or refuses to do so, execute in Franchisee's name and on Franchisee's behalf any and all documents necessary to cause discontinuation of Franchisee's use of the name College Hunks Moving® or any other related or similar name or use thereunder, and Franchisor is thereby irrevocably appointed by Franchisee as Franchisee's attorney-in-fact to do so

18 4 Continuation of Obligations

The expiration or termination of this Franchise Agreement shall be without prejudice to the rights of Franchisor against Franchisee, and such expiration or termination shall not relieve Franchisee of any of

his/her obligations to Franchisor existing at the time of expiration or termination or terminate those obligations of Franchisee which by their nature survive the expiration or termination of this Agreement

18 5 Cease Using Telephone Numbers

Upon termination or expiration of this Agreement, Franchisee shall cease and desist from using the 1-800 telephone number and any other telephone (including cellular telephone) number(s) listed in any telephone directory under the name College Hunks Moving® or any other name similar thereto and, upon demand of the Franchisor, shall direct the telephone company servicing the Franchised Business to transfer said telephone number(s) to Franchisor, or to such other person or persons at such location or locations as Franchisor shall direct

18 6 Payment of Sums Due

Upon termination or expiration of this Agreement, Franchisee shall promptly pay all sums owing to Franchisor (and its subsidiaries, affiliates or designees) In the event of termination based upon a default of Franchisee, such sums shall include all damages, costs and expenses (including actual attorneys' fees) incurred by Franchisor as a result of the default The obligation created hereunder shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of the personal property, furnishings, equipment, signs, inventory, fixtures or other assets owned by Franchisee at the time of default

18 7 Post-Term Covenants

Upon termination or expiration of this Agreement, Franchisee shall comply with the post-term covenants not to compete set forth in Article XV hereof

18 8 Franchisor May Purchase

Upon termination or expiration of this Agreement for any reason whatsoever, Franchisor or its designee shall have the option (but not the obligation) for a period of 60 days from such termination or expiration to purchase all of Franchisee's right, title and interest in the Franchised Business (including, without limitation, equipment, Service Vehicles, inventory and supplies) for a purchase price (the "**Purchase Price**") equal to the lesser of (i) the depreciated book value of all tangible assets in place and owned by Franchisee as of the date of Franchisor's (or its designee's) exercise of such option, or (ii) the fair market value of all such assets as determined by the application of generally accepted accounting principles less the total of (a) the amount of any indebtedness remaining against or secured by any such assets, (b) the amount of any indebtedness or obligation owed by Franchisee to Franchisor, its affiliates, subsidiaries or designees, (c) the amount of any indebtedness or obligation for which Franchisee or the Franchised Business is liable (directly or indirectly, contingently or otherwise) and for which Franchisor is or may become liable (directly or indirectly, contingently or otherwise) upon acquiring the Franchised Business or otherwise, and (d) all amounts advanced by Franchisor, or which Franchisor has paid, or which Franchisor has become obligated to pay, on behalf of the Franchisee for any reason whatsoever (including, without limitation, interim sums required to be advanced for operations prior to the date of Franchisor's (or its designee's) exercise of the option granted hereunder)

18 8 1 If the parties cannot agree upon the Purchase Price within a reasonable time, an independent appraiser shall be designated by Franchisor, and his determination of the Purchase Price shall be binding on Franchisor and Franchisee The cost of such appraisal shall be borne equally by the parties and the Franchisee's portion will be reflected by reduction in the purchase price

18 8 2 If Franchisor exercises its option to purchase the Franchised Business, the Purchase Price shall be payable as follows

(a) 10% of the Purchase Price shall be paid at the closing of the purchase transaction by bank or certified check

(b) The balance of the Purchase Price shall be paid over a period of 3 years in 36 equal monthly installments, the first monthly installment being made on the 10th day of the month following the month in which the initial payment is made The obligation to make monthly installment payments shall be evidenced by a series of 36 negotiable promissory notes of the Franchisor payable to the order of the Franchisee, each bearing interest from the date of the closing at the published "**Prime Rate**" charged by Chase Manhattan Bank, New York, New York, to its most substantial commercial clients and containing provisions to the effect that should any note be unpaid for more than 10 days after written notice of default, the remaining notes shall forthwith become due and payable without any further notice, provided, however, that the Franchisor or any holder in due course shall have the right at any time after the calendar year in which the closing takes place to prepay the notes in multiples of $1,000 in inverse order of maturity, together with interest to the date of payment

18 8 3 If Franchisor exercises its option to purchase the Franchised Business, Franchisee agrees fully to cooperate in effectuating such transaction and undertakes to use his/her best efforts to provide Franchisor and its designees with all such data and documentation as reasonably may be required to give effect to the purposes of this Section

18 8 4 In the event Franchisor does not elect to exercise the foregoing option to purchase the Franchised Business, Franchisee shall immediately return to Franchisor all materials which bear any of the Proprietary Marks, trade names or copyrighted material Franchisee shall also destroy any and all materials not otherwise required to be returned to Franchisor in accordance with this Agreement or the Manual Contemporaneously, Franchisee shall return to Franchisor all copies in his/her possession of materials and documents (including, among other things, the Manual, corporate records and files, correspondence, brochures, agreements, and disclosure statements) relating to the grant or operation of the Franchised Business

18 9 Discontinue Use, Modification

Upon expiration or termination, Franchisee shall immediately discontinue the use of each and every aspect of the Proprietary Properties, including the Proprietary Marks and trade dress, including the custom designs on vehicles, advertisements, brochures, tee shirts, clothing, or any other article of commercial or other use, and Know How, and thereafter shall no longer use or have the rights to use the Proprietary Properties, or any colorable or confusingly similar variations thereof, or any word, logo or figure similar to the Proprietary Marks or Know How In the event of expiration or termination, Franchisee will be responsible for the payment of all legal fees, court costs, collection fees and interest incurred in enforcing this Agreement In the event of any litigation between the parties hereto with respect to the subject matter hereof, the party in any such litigation in whose favor a judgment is entered shall be entitled to have and recover, and the other party agrees to pay, its reasonable attorneys' fees and expenses, in addition to any award to which may be otherwise entitled In addition, Franchisee understands and agrees that he/she shall immediately repaint any and all Service Vehicles that show markings similar to, or that would cause confusion of the public as misrepresenting, any connection to Franchisor or the System

18 10 Assignment of Lease for Service Vehicle

At Franchisor's option, Franchisee shall assign to Franchisor any interest which Franchisee has in any lease or sublease for the Service Vehicle(s) pursuant to the Conditional Assignment of Service Vehicle Lease attached hereto as Exhibit "E " Franchisor may exercise such option at or within 30 days after the termination or expiration of this Agreement Franchisee hereby appoints Franchisor its true and lawful

agent and attorney-in-fact with full power and authority for the sole purpose of taking such action as is necessary to complete the assignment of Franchisee's interest in any such lease or sublease upon the exercise of Franchisor's option described herein This power of attorney shall survive the expiration or termination of this Agreement Franchisor may exercise its rights to acquire the lease or sublease for the Service Vehicle(s) even if Franchisor elects not to purchase the assets of the Franchised Business pursuant to Section 18 8 above In the event Franchisor does not elect to exercise its option to acquire the lease or sublease for the Service Vehicle(s) under this Section 18 10, or to purchase the Service Vehicle(s) under Section 18 8, Franchisee shall make such modifications or alterations to the Service Vehicle(s) as are necessary to remove all signage and obliterate all Proprietary Marks to Franchisor's reasonable satisfaction

18 11 Liquidated Damages

Upon termination of this Agreement by Franchisor for cause, Franchisee agrees to pay to Franchisor within 15 days after the effective date of this Agreement's termination, in addition to the amounts owed hereunder, liquidated damages equal to the average monthly Continuing Royalty Fee Franchisee paid or owed to Franchisor during the 12 months immediately preceding termination multiplied by (a) 24, being the number of months in 2 full years, or (b) the number of months remaining in the Agreement had it not been terminated, whichever is greater

The parties hereto acknowledge and agree that it would be impracticable to determine precisely the damages Franchisor would incur from this Agreement's termination and the loss of cash flow from Continuing Royalty Fees due to, among other things, the complications of determining what costs, if any, Franchisor might have saved and how much the Continuing Royalty Fees would have grown over what would have been this Agreement's remaining term The parties hereto consider this liquidated damages provision to be a reasonable, good faith pre-estimate of those damages The parties hereto further acknowledge and agree that this liquidated damages provision applies if Franchisor terminates this Agreement due to Franchisee's willful non-compliance with the terms of and its obligations under this Agreement, Franchisee's failure to cure a material default within the timeframes required herein, and Franchisee's repeated, willful defaults of this Agreement

The liquidated damages provision only covers Franchisor's damages from the loss of cash flow from the Continuing Royalty Fees It does not cover any other damages, including damages to its reputation with the public and damages arising from a violation of any provision of this Agreement other than the Continuing Royalty Fee section Franchisee and each of its owners agree that the liquidated damages provision does not give Franchisor an adequate remedy at law for any default under, or for the enforcement of, any provision of this Agreement other than the Continuing Royalty Fee section

ARTICLE XIX

MODIFICATION OF SYSTEM

19 1 Modification of System Standards

Franchisee understands and agrees that the System must not remain static if it is to meet (without limitation) presently unforeseen changes in technology, competitive circumstances, demographics, populations, consumer trends, societal trends and other market place variables, and if it is to best serve the interests of Franchisor, Franchisee, and the network of all other franchisees Accordingly, Franchisee expressly understands and agrees that Franchisor may from time to time change the components of the System, including, but not limited to, altering the products, programs, services, methods, standards, forms, policies and procedures of that System, abandoning the System altogether in favor of another system in connection with a merger, acquisition, other business combination or for other reasons, adding to, deleting from or modifying those products, programs and services which Franchisee's Franchised Business is authorized and required to offer, modifying or substituting entirely the building, premises, vehicles, equipment, signage, trade dress, decor, color schemes and uniform specifications and all other unit

construction, design, appearance and operation attributes which Franchisee is required to observe hereunder, and changing, improving, modifying or substituting the Proprietary Properties Franchisee expressly agrees to comply with any such modifications, changes, additions, deletions, substitutions and alterations, provided, however, that such changes shall not materially and unreasonably increase Franchisee's obligations hereunder

Franchisee shall accept, use and effectuate any such changes or modifications to, or substitution of, the System as if they were part of the System at the time that this Agreement was executed Notwithstanding the foregoing, Franchisee shall be obligated to replace his/her Service Vehicle at least once every 7 years, depending on the age and condition of said Service Vehicle

19 2 Waiver

Except as provided herein, Franchisor shall not be liable to Franchisee for any expenses, losses or damages sustained by Franchisee as a result of any of the modifications contemplated hereby Franchisee hereby covenants not to commence or join in any litigation or other proceeding against Franchisor or any third party complaining of any such modifications or seeking expenses, losses or damages caused thereby Finally, Franchisee expressly waives any claims, demands or damages arising from or related to the foregoing activities including, without limitation, any claim of breach of contract, breach of fiduciary duty, fraud, and/or breach of the implied covenant of good faith and fair dealing

ARTICLE XX

FIRST CONTACT SALES & LOYALTY CENTER

20 1 Engagement

During the term of this Agreement, Franchisor or its designee (the "**SLC**") shall provide to Franchisee the First Contact Sales & Loyalty Center Services described below

20 2 First Contact Sales & Loyalty Center Services

During the Term, the Franchisor or its designee shall provide to the Franchisee such of the following services (collectively, the "**SLC Services**")

20 2 1 The SLC shall host a dedicated telephone number, website, and an e-mail address through which all clients of the Franchisor shall schedule, reschedule, cancel and inquire about estimates and service calls Service requests shall be distributed to the Franchisee based on (i) geographic location of the client and (ii) Franchisee/client scheduling availability All current date cancellations and emergency services will be dispatched from the SLC to the Franchisee via e-mail to phone or wireless PDA, radio dispatch to Nextel, or phone call to wireless cell phone All non-emergent services will be posted to the Franchisee's work order list in "real-time " Franchisee may log into Franchisor's company database to view Franchisee's work orders at any time Franchisor and Franchisee shall use their commercially reasonable best efforts and technological resources to schedule the most efficient travel routes and time availability to decrease wasted travel time

20 2 2 The SLC shall receive, record, research and assist in resolving any basic client complaints and concerns All in-depth issues will be forwarded to the Franchisee for immediate resolution The SLC shall provide copies of any invoices or service tickets to the client via mail, fax or e- mail at no additional charge to the Franchisee The SLC will conduct courtesy quality service follow-up calls and emails to confirm the price charged (accurate reporting) and to monitor quality control

20 2 3 The SLC shall manage and orchestrate any promotional programs designated by

the Franchisor

20 2 4 SLC Services shall not include legal and accounting services

20 2 5 The SLC will provide performance reports for business improvement purposes

20 2 6 The SLC will also catalogue all non-booked leads and will identify potential commercial clients for follow-up by franchisee

20 2 7 The Franchisor shall monitor all client service issues and requests on a daily basis to maintain quality control and protect the franchise "system" and name

20 3 Franchisee Responsibilities

During the Term, except in full compliance with Section 9 9 above, Franchisee shall at all times refer all jobs and inquiries for jobs to the SLC for both scheduling and follow-up Franchisee shall not perform any jobs that have not been provided to the SLC Franchisee is required to attempt to complete all jobs and/or appointments that are scheduled by the SLC for Franchisee, including emergency and non-emergency inquiries The SLC will request that Franchisee follow-up with a client or potential client, and Franchisee shall report to the SLC the results of such follow-up Franchisee shall keep the SLC apprised of the status of each job, appointment, inquiry, and/or follow-up

20 4 Limitations

20 4 1 Liability THE FRANCHISOR MAKES NO REPRESENTATIONS, WARRANTIES OR GUARANTEES, EITHER EXPRESS OR IMPLIED, CONCERNING THE SLC SERVICES PROVIDED UNDER THIS AGREEMENT, AND EXPRESSLY DISCLAIMS ANY WARRANTIES OF FITNESS FOR A PARTICULAR USE OR PURPOSE, THE WARRANTY OF MERCHANTABILITY AND ANY OTHER WARRANTY IMPLIED BY LAW THE FRANCHISOR'S LIABILITY TO THE FRANCHISEE ON ACCOUNT OF ANY ACTS OR OMISSIONS RELATING TO THIS AGREEMENT SHALL BE LIMITED TO PROVEN DIRECT DAMAGES IN AN AGGREGATE AMOUNT NOT TO EXCEED THE AMOUNTS PAID BY THE FRANCHISEE FOR SLC SERVICES DURING THE 12-MONTH PERIOD PRECEDING THE INCIDENT GIVEN RISE TO THE CLAIM FOR DAMAGES, IN NO EVENT TO EXCEED AN AGGREGATE OF $37,500 THE FRANCHISOR SHALL NOT BE LIABLE FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, RELIANCE OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR HARM TO BUSINESS, LOST PROFITS, LOST SAVINGS OR LOST REVENUES, WHETHER OR NOT THE FRANCHISOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES THE FRANCHISOR SHALL NOT BE RESPONSIBLE FOR LOST SERVICES OR REVENUES DUE TO MISCOMMUNICATIONS, WEATHER, SERVICE OUTAGES, INFORMATIONAL TECHNOLOGY UPGRADES OR DOWNGRADES, ACTS OF GOD OR FIRE THE FRANCHISOR DOES NOT GUARANTEE TO PROVIDE MARKETING OR GENERATE ANY LEADS TO THE FRANCHISEE THE FRANCHISOR SHALL NOT BE LIABLE FOR ANY DAMAGE THAT THE FRANCHISEE MAY SUFFER ARISING OUT OF USE, OR INABILITY TO USE, THE SLC SERVICES PROVIDED HEREUNDER UNLESS SUCH DAMAGE IS CAUSED BY THE WILLFUL MISCONDUCT OF THE FRANCHISOR

20 4 2 Remedies THE FRANCHISOR SHALL NOT BE LIABLE FOR UNAUTHORIZED ACCESS BY THIRD PARTIES TO THE FRANCHISEE'S TRANSMISSIONS EXCEPT AS EXPRESSLY SET FORTH IN OR CONTEMPLATED BY THIS AGREEMENT, IN ANY

INSTANCE INVOLVING PERFORMANCE OR NONPERFORMANCE BY THE FRANCHISOR WITH RESPECT TO SLC SERVICES PROVIDED HEREUNDER, **THE FRANCHISEE'S SOLE REMEDY SHALL BE REFUND OF A PRO RATA PORTION OF THE PRICE PAID FOR SCL SERVICES WHICH WERE NOT PROVIDED AT THE OPTION OF THE FRANCHISOR, EXCEPT AS EXPRESSLY SET FORTH IN OR CONTEMPLATED BY THIS AGREEMENT, IN THE CASE OF REFUND FOR LOST SERVICES, CREDIT WILL BE ISSUED ONLY FOR PERIODS OF LOST SERVICE GREATER THAN 24 HOURS** THESE LIMITATIONS OR LIABILITY SHALL APPLY REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, WARRANTY, STRICT LIABILITY OR TORT, INCLUDING WITHOUT LIMITATION NEGLIGENCE OF ANY KIND, WHETHER ACTIVE OR PASSIVE, AND SHALL SURVIVE

20 4 3 Failure of an Exclusive Remedy THE FRANCHISOR SHALL NOT BE RESPONSIBLE FOR (1) SERVICE IMPAIRMENTS CAUSED BY ACTS WITHIN THE CONTROL OF THE FRANCHISEE, ITS EMPLOYEES, AGENTS, SUBCONTRACTORS, SUPPLIERS OR LICENSEES, (2) INABILITY OF THE FRANCHISEE TO ACCESS OR INTERACT WITH ANY OTHER SERVICE PROVIDERS OR USERS, OR (3) SERVICES PROVIDED BY OTHER SERVICE PROVIDERS

20 5 Information

All information provided to the Company or gathered from or about the Franchisee is the exclusive property of the Company Except as expressly provided in this Agreement, the Company shall be under no obligation to treat any Franchisee information or materials received by the Company from the Franchisee as confidential To the extent that the Franchisee shall wish that any information or materials be treated as confidential by the Company, the Franchisee must label such information or materials in writing as confidential or, if such materials are disclosed orally by the Franchisee to the Company, provide written summaries of any such disclosed information or materials together with notice of the confidential nature of such information or materials within 5 days of oral disclosure thereof Notwithstanding the foregoing, the Company shall have no obligation of confidentiality with respect to any information or materials disclosed to it which (a) was already known to it at the time of its receipt hereunder, (b) is or becomes generally available to the public other than by means of the Company's breach of its obligations under this Agreement, (c) is independently obtained from a third party whose disclosure violates no duty of confidentiality, or (d) is independently developed by or on behalf of the Company without use of or reliance on any confidential information furnished to it under this Agreement

ARTICLE XXI

MISCELLANEOUS

21 1 Severability and Substitution of Valid Provisions

Except as expressly provided to the contrary herein, each section, paragraph, term and provision of this Agreement, and any portion thereof, shall be considered severable and if, for any reason, any such portion of this Agreement is held to be invalid, contrary to, or in conflict with any applicable present or future law or regulation in a final, un-appealable ruling issued by any court, agency or tribunal with competent jurisdiction in a proceeding to which the Franchisor is a party, that ruling shall not impair the operation of, or have any other effect upon, such other portions of this Agreement as may remain otherwise intelligible, which shall continue to be given full force and effect and bind the parties hereto, although any portion held to be invalid shall be deemed not to be a part of this Agreement from the date the time for appeal expires, if Franchisee is a party thereto, otherwise upon Franchisee's receipt of written notice of non-enforcement thereof from the Franchisor If any covenant herein which restricts competitive activity is deemed n o n - enforceable by virtue of its scope in terms of area, business activity prohibited and/or length of time, but would be enforceable by reducing any part or all thereof, Franchisee and the

Franchisor agree that same shall be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction in which enforcement is sought If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of or refusal to enter into a successor franchise agreement than is required hereunder, or the taking of some other action not required hereunder, or if under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by the Franchisor is invalid or unenforceable, the prior notice and/or other action required by such law or rule shall be substituted for the comparable provisions hereof, and the Franchisor shall have the right, in its sole discretion, to modify such invalid or enforceable provision, specification, standard or operating procedure to the extent required to be valid and enforceable Such modification(s) to this Agreement shall be effective only in such jurisdiction, unless the Franchisor elects to give it greater applicability, and shall be enforced as originally made and entered into in all other jurisdictions Franchisee agrees to be bound by any such modification to this Agreement

21 2 Waiver of Obligations

The Franchisor and Franchisee may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice thereof to the other Any waiver granted by the Franchisor shall be without prejudice to any other rights the Franchisor may have, will be subject to continuing review by the Franchisor and may be revoked, in the Franchisor's sole discretion, at any time and for any reason, effective upon delivery to Franchisee of 10 days' prior written notice The Franchisor and Franchisee shall not be deemed to have waived or impaired any right, power or option reserved by this Agreement by virtue of any custom or practice of the parties at variance with the terms hereof, any failure, refusal or neglect of the Franchisor or Franchisee to exercise any rights under this Agreement or to insist upon exact compliance by the other with its obligations hereunder, any waiver, forbearance, delay, failure or omission by the Franchisor to exercise any right, power or option, whether of the same, similar or different nature, with respect to other College Hunks Hauling Junk® Franchised Businesses, or the acceptance by the Franchisor of any payments due from Franchisee after any breach of this Agreement

Neither the Franchisor nor Franchisee shall be liable for loss or damage or deemed to be in breach of this Agreement if its failure to perform its obligations results from (1) transportation shortages, inadequate supply of equipment, merchandise, supplies, labor, material or energy, or the right to acquire or use any of the foregoing in order to accommodate or comply with the orders, requests, regulations, recommendations or instructions of any federal, state or municipal government or any department or agency thereof, (2) compliance with any law, ruling, order, regulation, requirement or instruction of any federal, state, or municipal government or any department or agency thereof, (3) acts of God, (4) fires, strikes, embargoes, war or riot, or (5) any other similar event or cause Any delay resulting from any of said causes shall extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that said causes shall not excuse payments of amounts owed at the time of such occurrence or payment of Continuing Royalty Fees, Brand Development Fees, Support Fees, Appointment Fees or lease payments due thereafter

21 3 Injunctive Relief

Notwithstanding anything to the contrary contained in Section 21 6 of this Section, either party may institute in a court of competent jurisdiction an action or actions for temporary or preliminary injunctive relief, provided, however, that such party shall contemporaneously submit the dispute in arbitration on the merits in accordance with Section 21 6 of this Section Franchisee agrees that the Franchisor may have such temporary or preliminary injunctive relief without bond, but upon due notice,

and Franchisee's sole remedy in the event of the entry of such injunctive relief shall be the dissolution of such injunctive relief, if warranted, upon hearing duly had (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby)

21 4 Rights of Parties are Cumulative

The rights of the Franchisor and Franchisee hereunder are cumulative and no exercises or enforcement by the Franchisor or Franchisee of any right or remedy hereunder shall preclude the exercise or enforcement by the Franchisor or Franchisee of any other right or remedy hereunder or which the Franchisor or Franchisee is entitled by law to enforce

21 5 Costs and Attorneys' Fees

If the Franchisor incurs expenses in connection with Franchisee's failure to pay when due amounts to the Franchisor, to submit when due any reports, information or supporting records or otherwise to comply with this Agreement, Franchisee shall reimburse the Franchisor for any such costs and expenses which it incurs, including but not limited to reasonable legal, arbitrators', accounting and related fees

21 6 Mediation and Arbitration

21 6 1 Mediation During the term of this Agreement, certain disputes may arise between Franchisee and Franchisor that may be resolvable through mediation To facilitate such resolution, you and we agree that each party must, before commencing any arbitration proceeding, submit the dispute for non-binding arbitration at a mutually agreeable location (if you and we cannot agree on a location, the mediation will be conducted at our headquarters) to one mediator, appointed under the American Arbitration Association's Commercial Mediation Rules The mediator will conduct a mediation in accordance with such rules You and we agree that any statements made by either you or us in any such mediation proceeding will not be admissible in any subsequent arbitration or other legal proceeding Each party will bear its own costs and expenses of conducting the mediation and share equally the costs of any third parties who are required to participate Nevertheless, both you and we have the right in a proper case to obtain temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction However, the parties must immediately and contemporaneously submit the dispute for non-binding mediation If any dispute between the parties cannot be resolved through mediation within 45 days following the appointment of a mediator, the parties must submit the dispute to arbitration subject to the following terms and conditions

21 6 2 Agreement to Arbitrate Except for claims (as defined below) related to or based on the marks (which at our sole option may be submitted to any court of competent jurisdiction) and except as otherwise expressly provided by section 21 6 5 of this Agreement, any litigation, claim, dispute, suit, action, controversy, proceeding or otherwise ("**Dispute**") between or involving you and us (and/or involving you and/or any claim against or involving any of our or our affiliates' shareholders, directors, partners, officers, employees, agents, attorneys, accountants, affiliates, guarantors or otherwise), which are not resolved within 45 days of notice from either you or we to the other, will be submitted to arbitration to the office of the American Arbitration Association closest to our headquarters The arbitration will be conducted by the American Arbitration Association pursuant to its commercial arbitration rules All matters relating to arbitration will be governed by the federal arbitration act (9 U S C §§1 et seq) And not by any state arbitration law The parties to any arbitration will execute an appropriate confidentiality agreement, excepting only such disclosures and filings as are required by law

21 6 3 Place and Procedure The arbitration proceedings will be conducted at a location in the metropolitan area in which our headquarters is located Any dispute and any arbitration will be conducted and resolved on an individual basis only and not a class-wide, multiple plaintiff or similar basis Any such arbitration proceeding will not be consolidated with any other arbitration proceeding involving any other person, except for disputes involving affiliates of the parties to such arbitration The parties agree that, in connection with any such arbitration proceeding, each must submit or file any claim which would constitute a compulsory counterclaim (as defined by rule 13 of the federal rules of civil procedure) within the same proceeding as the dispute to which it relates Any such dispute which is not submitted or filed in such proceeding will be barred

21 6 4 Awards and Decisions The proceedings will be heard by one arbitrator The arbitrator will have the right to award any relief which he deems proper in the circumstances, including, for example, money damages (with interest on unpaid amounts from their due date(s)), specific performance, temporary and/or permanent injunctive relief, and reimbursement of attorneys' fees and related costs to the prevailing party The arbitrator will not have the authority to award exemplary or punitive damages except as otherwise permitted by this agreement, nor the right to declare any mark generic or otherwise invalid You and we agree to be bound by the provisions of any limitations or the time on which claims must be brought under applicable law or under this agreement, whichever expires earlier The award and decision of the arbitrator will be conclusive and binding and judgment on the award may be entered in any court of competent jurisdiction The parties acknowledge and agree that any arbitration award may be enforced against either or both of them in a court of competent jurisdiction and each waives any right to contest the validity or enforceability of such award Without limiting the foregoing, the parties will be entitled in any such arbitration proceeding to the entry of an order by a court of competent jurisdiction pursuant to an opinion of the arbitrator for specific performance of any of the requirements of this agreement Judgment upon an arbitration award may be entered in any court having jurisdiction and will be binding, final and non-appealable

21 6 5 Specific Performance Nothing in this agreement will prevent either you or we from obtaining temporary restraining orders and temporary or preliminary injunctive relief in a court of competent jurisdiction However, you and we must contemporaneously submit the dispute for arbitration on the merits

21 6 6 Third Parties The arbitration provisions of this agreement are intended to benefit and bind certain third party non-signatories, and all of yours and our principal owners and affiliates

21 6 7 Survival This provision continues in full force and effect subsequent to and notwithstanding the expiration or termination of this agreement for any reason

21 7 Governing Law

All matters relating to arbitration shall be governed by the Federal Arbitration Act Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U S C Sections 1051 et seq) or other federal law, this Agreement, the Franchise and the relationship of the parties shall be governed by the laws of the State of Florida, without regard for its conflicts of laws principles

21 8 Jurisdiction

With respect to actions described in Section 21 3 above and any other actions not subject to arbitration under Section 21 6 above, Franchisee and the Franchisor agree that any action arising under this Agreement or otherwise as a result of the relationship between Franchisee and the Franchisor must be commenced in a state or federal court of competent jurisdiction in the State of Florida Franchisee irrevocable submits to the jurisdiction of such courts and waives any objection he/she may have to either the jurisdiction or venue of such court

21 9 Waiver of Punitive Damages

The parties waive to the fullest extent permitted by law any right to or claim for any punitive or exemplary damages, except punitive or exemplary damages allowed under federal statute The parties agree that, in the event of a dispute between them, the party making a claim shall be limited to recovery of any actual damages it sustains

21 10 Waiver of Jury Trial

Each party irrevocably waives trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by either party

21 11 Franchisee May Not Withhold Payments

Franchisee agrees that he/she will not, on grounds of the alleged nonperformance by the Franchisor of any of its obligations hereunder, withhold payment of any Continuing Royalty Fees, Brand Development Fees, Support Fees, Appointment Fees, lease payments, amounts due to the Franchisor for purchases by Franchisee or any other amounts due to the Franchisor

21 12 Binding Effect

This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest Subject to the Franchisor's right to modify the Manual, this Agreement shall not be modified except by written agreement signed by Franchisee and the Franchisor

21 13 Limitations of Claims

Any and all claims, except claims for monies due the Franchisor, arising out of or relating to this Agreement or the relationship among the parties hereto shall be barred unless an action or legal or arbitration proceeding is commenced within 1 year from the date Franchisee or the Franchisor knew or should have known of the facts giving rise to such claims

21 14 Private Disputes

Any dispute and any litigation or legal proceedings will be conducted and resolved on an individual basis only and not a class-wide, multiple plaintiff or similar basis Any such proceeding will not be consolidated with any other proceeding involving any other person, except for disputes involving affiliates of the parties to this Agreement

21 15 Construction

The preambles and exhibits are a part of this Agreement, which together with the Manual, constitutes the entire agreement of the parties, and there are no other oral or written understandings or agreements between the Franchisor and Franchisee relating to the subject matter of this Agreement, provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by Franchisor in the Disclosure Document that was furnished to Franchisee by Franchisor The term "**Franchisee**" as used herein is applicable to one or more persons, a corporation, limited liability company or a partnership, as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine If two or more persons are at any time Franchisee hereunder, their obligations and liabilities to the Franchisor shall be joint and several References to "Franchisee" and "transferee" which are applicable to an individual or individuals shall mean the principal owner(s) of the equity or operating control of Franchisee or the transferee, if Franchisee or the transferee is a corporation, limited liability company or partnership References to "**controlling interest**" in Franchise shall mean greater than 50% of the equity or voting control of Franchisee The term "**affiliate**" means any Business Entity directly or indirectly owned or controlled by a person, under common control with a person or controlling a person The headings of the several sections and paragraphs hereof are for convenience only and do not define, limit or construe the contents of such sections or paragraphs The word "**control**" means the power to direct or cause the direction of management and policies The word "**owner**" means any person holding a direct or indirect, legal or beneficial ownership interest or voting rights in another person (or a transferee of this Agreement), including any person who has a direct or indirect interest in Franchisee or this Agreement and any person who has any other legal or equitable interest, or the power to vest in himself any legal or equitable interest, in the revenue, profits, rights or assets of the Franchisee and/or the Franchised Business

Except where this Agreement expressly obligates the Franchisor reasonably to approve or not unreasonably to withhold its approval of any action or request by Franchisee, Franchisor has the absolute right to refuse any request by Franchisee or to withhold its approval of any action by Franchisee that requires the Franchisor's approval Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or legal entity not a party hereto

21 16 Withholding Consent

In no event will Franchisee make any claim, whether directly, by way of setoff, counter-claim, defense or otherwise, for money damages or otherwise, by reason of any withholding or delaying of any consent or approval by Franchisor Franchisee's sole remedy for any such claim is to submit it to an executive meeting, mediation and arbitration as described in this Agreement and, if executive meeting and mediation fails to resolve such matter, for the arbitrator to order Franchisor to grant such consent

ARTICLE XXII

FRANCHISOR'S BUY-OUT OPTION

22 1 Franchisor's Rights

Franchisee grants Franchisor the option to purchase all of the assets of the Franchised Business or all ownership interests in the Franchised Business (at Franchisor's option and which Franchisor may assign to an affiliate) any time after the 60th month of operation of the Franchised Business on the following terms and conditions Nothing in this Article XXI shall require Franchisor to exercise the buyback option described herein or to use the valuation formula described below if this Agreement is terminated by Franchisor or if Franchisor chooses to not renew this Agreement because Franchisee was not in compliance at the time of renewal

22 1 1 **Option Period** Unless otherwise provided for in this Agreement Franchisor may exercise its option to acquire the Franchised Business at any time after 60 months following the opening date of the Franchised Business

22 1 2 **Exercise** To exercise its option, Franchisor shall give Franchisee written notice (the "**Acquisition Notice**") of Franchisor's intention to do so The Acquisition Notice shall be sent to Franchisee at least 120 days prior to the anticipated closing date

22 1 3 **Purchase Price** The parties will work together to determine the valuation to set the purchase price The parties will utilize good faith and commercially reasonable efforts to determine said valuation The purchase price will be determined 30 days prior to closing and will be determined as the Entity Value as determined below

22 1 4 **Entity Value** Entity Value shall be equal to 5 times Normalized EBITDA, as defined below

22 1 5 **Normalized EBITDA** Normalized EBITDA is defined as follows EBITDA (Earnings Before Income, Taxes, Depreciation and Amortization) as calculated in accordance with generally accepted accounting principles for the trailing 12-month period prior to the month in which the Acquisition Notice is received EBITDA will be normalized for the following items (a) related party transactions as defined by generally accepted accounting principles to be restated at current arm's length market rates, (b) excess owners' compensation to be normalized to expected ongoing management expenses, (c) operating leases for containers will be restated as if they were capital leases, increasing EBITDA, with the related lease obligation to be included as a debt obligation of the Franchised Business, and (d) all other lease obligations will be treated in accordance with generally accepted accounting principles Net Proceeds to Franchisee will be Entity Value plus or minus net working capital (current

assets less current liabilities as defined by generally accepted accounting principles) acquired by Franchisor, less all other debt obligations, liabilities, and contingent liabilities of the Franchised Business as defined by generally accepted accounting principles, which are assumed in writing by Franchisor, less the agreed upon value of the container operating leases obligations used to calculate Normalized EBITDA which Franchisor agrees to are to be assumed in writing Franchisee must be able to show satisfaction of debts, acceptable to Franchisor, for all liabilities of the Franchised Business Franchisor does not agree to assume in writing

22 1 6 **Releases** Franchisor will provide a release of liability to Franchisee for all future liabilities of the Franchised Business Franchisee will not be relieved of any undisclosed or unassumed liabilities prior to closing and for the final settlement of all claims or contingencies at the time of closing

22 1 7 **CPA** In case of any disagreement on any of the calculations or determinations, the determination by Franchisor's independent certified public accountants will be final and conclusive

22 1 8 **Representations and Warranties** Franchisor shall be entitled to all customary representations and warranties to ensure that Franchisor receives full and complete title to all of the assets or ownership interests it purchases, in such form and content as Franchisor reasonably requires

22 1 9 **Cooperation** Franchisee shall cooperate with Franchisor in preparing for the sale of the Franchised Business if Franchisor exercises its repurchase option as described herein Moreover, Franchisee shall cooperate with Franchisor in furnishing Franchisor with the necessary information to accurately calculate the purchase price

22 1 10 **Continuing Obligations** All obligations and covenants under this Agreement which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect until they are satisfied in full or by their nature expire

22 2 Applicability of Other Provisions

If the Franchisor elects to exercise this buy-out of Franchisee's rights pursuant to this Article, all post-term covenants not to compete contained in Article XV shall be applicable

ARTICLE XXIII

GENERAL PROVISIONS

23 1 Relationship, Acknowledgments

Franchisee and Franchisor agree that there does not exist any fiduciary, trust or similar relationship between Franchisee and Franchisor, that the relationship between Franchisee and Franchisor is a normal commercial relationship between independent businesspeople intended for mutual but independent economic benefit, and is not in any sense nor is intended to be a fiduciary, trust or similar relationship

23 1 1 Franchisee acknowledges that he/she and each of its owners (if Franchisee is a corporation, limited liability company or partnership) and investors has read this Agreement and Franchisor's Disclosure Document and all exhibits, and that Franchisee and its owners understand and accept the terms, conditions, and covenants contained in this Agreement as being necessary to maintain Franchisor's high standards of quality and service and the uniformity of those standards at all College Hunks Moving® businesses and thereby to protect and preserve the goodwill of the Proprietary Marks and the System

23 1 2 Franchisee and Franchisor, each agreeing on the critical practical business importance of their relationship being governed solely by written documents signed by Franchisee and Franchisor (including any concurrently executed written personal guarantees, Statement of Prospective Franchisee and/or exhibits, schedules, addenda, promissory note(s), security agreement(s) or other written documents signed by the party to be bound thereby, all of which will be deemed to be part of this Agreement for the purposes of this Section 23 1 2) and not wishing to create misunderstandings, confusion and possible conflict through reference to any alleged prior and/or contemporaneous oral and/or written representations, understandings, agreements or otherwise, jointly intend and agree that (i) this Agreement contains the final, complete and exclusive expression of the terms of the parties' agreement and entirely supersedes and replaces any and all prior and/or concurrent understandings, agreements, inducements, prior course(s) of dealing, representations (financial or otherwise), promises, options, rights of first refusal, guarantees, warranties (express or implied) or otherwise (whether oral or written) between Franchisee and Franchisor, (ii) there are no prior and/or concurrent understandings, agreements, inducements, course(s) of dealing, representations (financial or otherwise), promises, options, rights of first refusal, guarantees, warranties (express or implied) or otherwise (whether oral or written) which are not fully expressed in this Agreement, and (iii) no prior and/or concurrent understandings, agreements, inducements, course(s) of dealing, representations (financial or otherwise), promises, options, rights of first refusal, guarantees, warranties (express or implied) or otherwise (whether oral or written) of any kind or nature whatsoever have been made by Franchisor or anyone else, nor have been relied upon by Franchisee nor will have any force or effect Franchisor expressly disclaims any understandings, agreements, inducements, course(s) of dealing, representations (financial or otherwise), promises, options, rights of first refusal, guarantees, warranties (express or implied) or otherwise (whether oral or written) which are not fully expressed in this Agreement Nothing in this or any related agreement, however, is intended to disclaim the representations made by Franchisor in the Franchise Disclosure Document that was furnished to Franchisee by Franchisor

23 1 3 Franchisee acknowledges and represents that he/she has not been promised, nor has the Franchisor or any of its representatives, employees or agents made any promises, representations and/or warranties, nor has Franchisee received or relied on any promises, representations or warranties, that (i) any payments by Franchisee are refundable at Franchisee's option, (ii) Franchisor will repurchase any rights granted hereunder (or any associated business) or will be able to assist Franchisee in any resale, (iii) Franchisee will succeed in the Franchised Business, (iv) Franchisee will achieve any particular sales, income or other levels of performance, (v) Franchisee will have any exclusive rights of any type other than as specifically set forth herein, or (vi) Franchisee will receive any level of advertising (television or otherwise), marketing assistance, site location, development or other services, operational assistance or otherwise other than as expressly set forth in this Agreement No contingency, condition, prerequisite, prior requirement, or otherwise (including, but not limited to, obtaining financing, obtaining a site or otherwise) exists with respect to Franchisee fully performing any or all of his/her obligations under this Agreement

23 1 4 Franchisee has not received or relied on (nor has Franchisor or any of its representatives, employees or agents provided) any sales, income or other projections of any kind or nature or any statements, representations, data, charts, tables, spreadsheets or mathematical calculations or otherwise which stated or suggested any level or range of actual or potential sales, costs, income, expenses, profits, cash flow, tax effects or otherwise, and neither Franchisor nor any of its representatives, employees or agents made, nor has Franchisee relied on, any promises, representations or warranties as to any profits Franchisee may realize in the operation of the Franchised Business, nor has Franchisee received or relied on any representations regarding any working capital or other funds necessary to reach any "break-even" or any other financial level Franchisor is unable, and does not attempt, to predict, forecast or project future performance, revenues, profits or otherwise of any Franchised Business If any such information, promises, representations and/or warranties has been provided to Franchisee, it should not be relied on, Franchisor

will not be bound by it, and, if Franchisee does rely on such information, promises, representations and/or warranties, Franchisee does so at his/her own risk

23 1 5 Franchisee acknowledges and agrees that the success of the business venture contemplated to be undertaken hereunder is speculative, is and will be dependent upon Franchisee's personal efforts, that entry into any business enterprise is always associated with risk and that no assurance of success has been or can be given to Franchisee Franchisee acknowledges and represents that he/she has entered into this Agreement and made an investment only after (i) making an independent investigation of the opportunity, including having received a list, in connection with the presentation of Franchisor's Disclosure Document, of (and having spoken with) other franchisees currently operating College Hunks Moving® businesses (if applicable), and (ii) having had an opportunity to have this transaction and all related documents reviewed by an attorney and a financial advisor of his/her own choosing, such review having been strongly recommended by Franchisor Franchisee acknowledges that he/she and each person signing as Franchisee (and/or having any investment and/or interest in the Franchised Business) has received, reviewed, understood and fully read and all questions have been answered regarding a copy of the Franchisor's Disclosure Document with all exhibits at least 14 calendar days prior to the earlier of Franchisee's and/or any such person (a) signing any binding documents or (b) paying any sums

23 1 6 Franchisee understands that Franchisor is relying on Franchisee to bring forward in writing at this time any matters inconsistent with any of the matters set forth in this Article XXII or otherwise so that Franchisor can correct any misunderstandings and Franchisee agrees that if any of the statements or matters set forth in this Article XXII or otherwise are not true, correct and complete, Franchisee will make a written statement regarding such next to Franchisee's signature below so that Franchisor may address and resolve any such issue(s) at this time and before either party goes forward

23 1 7 Franchisee acknowledges and agrees that in all of his/her dealings with the Franchisor, the officers, directors, employees, and agents of the Franchisor acted only in a representative capacity and not in an individual capacity Franchisee further acknowledges that this Agreement, and all business dealings between Franchisee and such individuals as a result of this Agreement, are solely between Franchisee and the Franchisor Franchisee further represents to the Franchisor, as an inducement to the Franchisor's entry into this Agreement, that Franchisee has made no misrepresentations in obtaining the Franchised Business

23 2 Notices

Except as otherwise provided in this Agreement, any notice, demand or communication provided for herein shall be in writing, signed by the party giving the same, and will be deemed to have been duly given or made if (a) delivered in person or by commercial airborne courier service (including by FedEx, UPS or other nationally recognized courier), (b) deposited in the United States mail, first-class postage prepaid, certified mail, return receipt requested, or (c) delivered by e-mail (with a confirming copy delivered by commercial airborne courier service) If intended for Franchisor, the notice shall be addressed to it at 1513 East 9th Avenue, Tampa, Florida 33605 If intended for Franchisee, the notice shall be addressed to Franchisee at the address set forth on page one For notices sent to a party via e- mail, the notice shall be sent to the most recent e-mail address on file and need not indicate or include a physical mailing address within the e-mail Either party may change its address for notice purposes by giving the other party written notice, as herein provided, of such change Franchisee agrees that Franchisor's revisions to the Manual or issuance of directives shall not be considered "notices" under this Agreement, and Franchisor may issue such revisions or directives by any manner it chooses, including, without limitation, e-mail

23 3 Gender

Reference to Franchisee as male, female, or no gender shall include male or female franchisee, general or limited partnership, joint venture, corporation, trust, or any other association or business entity, as relevant in the context

23 4 Headings

Headings and captions contained herein are for convenience of reference only and shall not be taken into account in construing or interpreting this Agreement

23 5 References

Any reference herein to any paragraph or other part of this Agreement shall be deemed to include a reference to every subordinate part and/or subparagraph thereof

23 6 Time of the Essence

It is acknowledged and agreed by both parties that any delay in the performance of its obligations hereunder would irreparably and irrevocably injure the other party in the conduct of its business and the value of its property The parties therefore agree that time is of the essence of this Agreement Except as otherwise specifically permitted herein, no extension of time shall be implied, nor any delay allowed, in the timely and complete performance of all covenants herein contained

23 7 Survival of Terms

Each provision of this Article XXII and those provisions hereinabove provided relating to covenants against post-termination/expiration use of the Proprietary Marks, Know How, Copyrights and Software will be deemed to be self-executing and continue in full force and effect subsequent to and notwithstanding the expiration, termination, setting aside, cancellation, rescission, unenforceability or otherwise of this Agreement (or any part of it) for any reason, will survive and will govern any claim for rescission or otherwise Each provision of this Agreement will be construed as independent of, and severable from, every other provision, provided that if any part of this Agreement is deemed unlawful in any way, the parties agree that such provision will be deemed interpreted and/or modified to the minimum extent necessary to make such provision lawful or, if such construction is not permitted or available, the remainder of this Agreement will continue in full force and effect Each party reserves the right to challenge any law, rule or judicial or other construction which would have the effect of varying or rendering ineffective any provision of this Agreement

23 8 Operation in the Event of Absence or Disability

In order to prevent any interruption of the Franchised Business operations which would cause harm to the Franchised Business, thereby depreciating the value thereof, Franchisee authorizes Franchisor, who may, at its option, in the event that Franchisee is absent for any reason or is incapacitated by reason of illness and is unable, in the sole and reasonable judgment of Franchisor, to operate the Franchised Business, operate the Franchised Business for so long as Franchisor deems necessary and practical, and without waiver of any other rights or remedies Franchisor may have under this Agreement All monies from the operation of the Franchised Business during such period of operation by Franchisor shall be kept in a separate account, and the expenses of the Franchised Business, including reasonable compensation and expenses for Franchisor's representative, shall be charged to said account If, as herein provided, Franchisor temporarily operates the Franchised Business franchised herein for Franchisee, Franchisee agrees to indemnify and hold harmless Franchisor and any representative of Franchisor who may act hereunder, from any and all acts which Franchisor may perform, as regards the interests of Franchisee or third parties

23 9 Step-In Rights

If Franchisor determines in its sole judgment that the operation of the Franchised Business is in jeopardy, or if a default occurs, then in order to prevent an interruption of the Franchised Business which

would cause harm to the System and thereby lessen its value, Franchisee authorizes Franchisor to operate his/her business for as long as Franchisor deems necessary and practical, and without waiver of any other rights or remedies which Franchisor may have under this Agreement In the sole judgment of Franchisor, Franchisor may deem Franchisee incapable of operating the Franchised Business if, without limitation, Franchisee is absent or incapacitated by reason of illness or death, Franchisee has failed to pay when due or has failed to remove any and all liens or encumbrances of every kind placed upon or against Franchisee's Business, or Franchisor determines that operational problems require that Franchisor operate Franchisee's Business for a period of time that Franchisor determines, in its sole discretion, to be necessary to maintain the operation of the Franchised Business as a going concern

Franchisor shall keep in a separate account all monies generated by the operation of Franchisee's Business, less the expenses of the Franchised Business, including reasonable compensation and expenses for Franchisor's representatives In the event of the exercise of the step-in rights by Franchisor, Franchisee agrees to hold harmless Franchisor and its representatives for all actions occurring during the course of such temporary operation Franchisee agrees to pay all of Franchisor's reasonable attorneys' fees and costs incurred as a consequence of Franchisor's exercise of its step-in rights Nothing contained herein shall prevent Franchisor from exercising any other right which it may have under this Agreement, including, without limitation, termination

ARTICLE XXIV

SECURITY INTEREST

24 1 Collateral

Franchisee grants to Franchisor a security interest ("**Security Interest**") in all of the furniture, fixtures, equipment, Service Vehicles, signage, and realty (including Franchisee's interests under all real property and personal property leases) of the Franchised Business, together with all similar property now owned or hereafter acquired, additions, substitutions, replacements, proceeds, and products thereof, wherever located, used in connection with the Franchised Business All items in which a security interest is granted are referred to as the "**Collateral** "

24 2 Indebtedness Secured

24 2 1 The Security Interest is to secure payment of the following (the "**Indebtedness**")

(a) All amounts due under this Agreement or otherwise by Franchisee,

(b) All sums which Franchisor may, at its option, expend or advance for the maintenance, preservation, and protection of the Collateral, including, without limitation, payment of rent, taxes, levies, assessments, insurance premiums, and discharge of liens, together with interest, or any other property given as security for payment of the Indebtedness,

(c) All expenses, including reasonable attorneys' fees, which Franchisor incurs in connection with collecting any or all Indebtedness secured hereby or in enforcing or protecting its rights under the Security Interest and this Agreement, and

(d) All other present or future, direct or indirect, absolute or contingent, liabilities, obligations, and indebtedness of Franchisee to Franchisor or third parties under this Agreement, however created, and specifically including all or part of any renewal or extension of this Agreement, whether or not Franchisee executes any extension agreement or renewal instruments

24 2 2 Franchisor's security interest, as described herein, shall be subordinated to any financing related to Franchisee's operation of the Franchised Business, including, but not limited to, any real property mortgage, equipment leases, and Service Vehicles leases or financing, provided, however, that Franchisor may require Franchisee and any lender or lessor to execute an intercreditor and

subordination agreement, in form satisfactory to Franchisor, containing any or all of the following provisions, as determined by Franchisor

(a) a provision which requires any lender or mortgagee concurrently to provide Franchisor with a copy of any written notice of deficiency or default under the terms of the loan or mortgage sent to Franchisee or its affiliates,

(b) a provision granting Franchisor, at its option, the right (but not the obligation) to cure any deficiency or default under the loan or mortgage should Franchisee (or its affiliate) fail to do so, within 10 days after the expiration of any period in which Franchisee (or its affiliate) may cure such default or deficiency, and

(c) a provision which expressly states that any default under the loan or mortgage, if not cured within the applicable time period, constitutes grounds for termination of this Agreement and any default under this Agreement, if not cured within the applicable time period, also constitutes a default under the loan or mortgage

24 2 3 Prior to their execution, Franchisee shall provide Franchisor with copies of any proposed financing agreements related to Franchisee's operation of the Franchised Business, including, but not limited to, any real property mortgage, equipment leases, or Service Vehicle leases or financing documents Franchisee shall not sign any proposed financing agreements or contracts until Franchisor has consented to such financing agreements in writing, which consent will not be unreasonably withheld but which consent may be conditioned on Franchisee's and the lender's or lessor's execution and delivery to Franchisor of an intercreditor and subordination agreement pursuant to Section 24 2 2 above

24 3 Additional Documents

Franchisee will from time to time as required by Franchisor join with Franchisor in executing any additional documents and one or more financing statements pursuant to the Uniform Commercial Code (and any assignments, extensions, or modifications thereof) in form satisfactory to Franchisor

24 4 Possession of Collateral

Upon default and termination of Franchisee's rights under this Agreement, Franchisor shall have the immediate right to possession and use of the Collateral

24 5 Franchisor's Remedies in Event of Default

Franchisee agrees that, upon the occurrence of any default set forth above, the full amount remaining unpaid on the Indebtedness secured shall, at Franchisor's option and without notice, become due and payable immediately, and Franchisor shall then have the rights, options, duties, and remedies of a secured party under, and Franchisee shall have the rights and duties of a debtor under, the Uniform Commercial Code of Florida (or other applicable law), including, without limitation, Franchisor's right to take possession of the Collateral and without legal process to enter any premises where the Collateral may be found Any sale of the Collateral may be conducted by Franchisor in a commercially reasonable manner Reasonable notification of the time and place of any sale shall be satisfied by mailing to Franchisee pursuant to the notice provisions set forth herein

24 6 Special Filing as Financing Statement

This Agreement shall be deemed a security agreement and a financing statement This Agreement may be filed for record in the real estate records of each county in which the Collateral, or any part thereof,

is situated and may also be filed as a financing statement in the counties or in the office of the Secretary of State, as appropriate, in respect of those items of Collateral of a kind or character defined in or subject to the applicable provisions of the Uniform Commercial Code as in effect in the appropriate jurisdiction

ARTICLE XXV

SUBMISSION OF AGREEMENT

The submission of this Franchise Agreement to Franchisee does not itself constitute an offer to sell a franchise This Franchise Agreement shall become effective only upon the execution thereof by Franchisor and Franchisee

I HAVE READ THE FOREGOING AGREEMENT AND I HEREBY AGREE TO AND ACCEPT EACH AND ALL OF THE PROVISIONS

FRANCHISEE

By _____

Name _____
Title _____
Dated _____

CHHJ FRANCHISING L L C

By _____
Name _____
Title _____
Dated _____

EXHIBIT "A"

TO CHHJ FRANCHISING L L C FRANCHISE AGREEMENT

LOCATION OF FRANCHISE

_____

_____

_____

ZONES ENCOMPASSING THE DESIGNATED TERRITORY

The following are the Zone(s) which, when taken together, are identified as Franchisee's Designated Territory This Exhibit shall be updated when necessary, in the event Franchisee purchases additional Zones, and each such updated version shall be executed by Franchisee and Franchisor and will then supersede and replace this Exhibit "A" in its entirety

Zone 1

Zone 2

Accepted and agreed this_____day of_____, 20___

CHHJ FRANCHISING, L L C

By _____
Name _____
Title _____

FRANCHISEE

_____

By _____
Name _____
Title _____

EXHIBIT "B"

TO CHHJ FRANCHISING L L C FRANCHISE AGREEMENT

CONDITIONAL ASSIGNMENT OF TELEPHONE NUMBERS AND LISTINGS AND INTERNET ADDRESSES

THIS CONDITIONAL ASSIGNMENT OF TELEPHONE NUMBERS AND LISTINGS AND INTERNET ADDRESSES (this "**Assignment**") is effective as of_____,20__, between CHHJ Franchising L L C (the "**Franchisor**"), with its principal place of business at 1513 East 9th Avenue, Tampa, Florida 33605, and_____, whose current place of business is _____ (the "**Franchisee**")/ The Franchisor and the Franchisee are sometimes referred to collectively as the "**parties**" or individually as a "**party** "

BACKGROUND INFORMATION

The Franchisor has simultaneously entered into the certain Franchise Agreement (the "**Franchise Agreement**") dated as of_____, 20_____with the Franchisee, pursuant to which the franchisee plans to own and operate a franchise that will provide junk removal services, including picking up unwanted items from residential or commercial clients and taking it to the appropriate landfill or transfer station for appropriate disposal or recycling, the provision of moving services, and the sale of products and services related thereto (the "**Franchised Business**") using the Franchisor's website, trade name, trademarks and service marks of College Hunks Hauling Junk® and College Hunks Moving®, and phone number (collectively, the "**Proprietary Marks**") The Franchised Business uses certain proprietary knowledge, procedures, formats, systems, forms, printed materials, applications, methods, specifications, standards and techniques authorized or developed by the Franchisor (collectively the "**System**") In order to protect Franchisor's interest in the System and the Proprietary Marks, Franchisor will have the right to control the telephone numbers and listings and internet addresses of the Franchised Business if the Franchise Agreement is terminated

OPERATIVE TERMS

The parties agree as follows

1 **Background Information** The background information is true and correct This Assignment will be interpreted by reference to the background information Terms not otherwise defined in this Assignment will have the meanings as defined in the Franchise Agreement

2 **Conditional Assignment** FOR VALUE RECEIVED, Franchisee hereby assigns to Franchisor (a) those certain telephone numbers and regular, classified or other telephone directory listings (collectively, the "**Telephone Numbers and Listings**"), and (b) those certain Internet website addresses ("**URLs**"), social media pages, and email addresses including gmail associated with Franchisor's trade and service marks and used from time to time in connection with the operation of the Authorized Business at the address provided above This Assignment is for collateral purposes only and, except as specified herein, Franchisor shall have no liability or obligation of any kind whatsoever arising from or in connection with

this Assignment, unless Franchisor shall notify the telephone company and/or the listing agencies with which Franchisee has placed telephone directory listings (all such entities are collectively referred to herein as "**Telephone Company**") and/or Franchisee's Internet service provider ("**ISP**") to effectuate the assignment pursuant to the terms hereof

Upon termination or expiration of the Franchise Agreement (without extension) for any reason, Franchisor shall have the right and is hereby empowered to effectuate the assignment of the Telephone Numbers and Listings and the URLs, and, in such event, Franchisee shall have no further right, title or interest in the Telephone Numbers and Listings and the URLs, and shall remain liable to the Telephone Company and the ISP for all past due fees owing to the Telephone Company and the ISP on or before the effective date of the assignment hereunder

3 **Power of Attorney** Franchisee agrees and acknowledges that as between Franchisor and Franchisee, upon termination or expiration of the Franchise Agreement, Franchisor shall have the sole right to and interest in the Telephone Numbers and Listings and the URLs, and Franchisee irrevocably appoints Franchisor as Franchisee's true and lawful attorney-in-fact, which appointment is coupled with an interest, to direct the Telephone Company and the ISP to assign same to Franchisor, and execute such documents and take such actions as may be necessary to effectuate the assignment Upon such event, Franchisee shall immediately notify the Telephone Company and the ISP to assign the Telephone Numbers and Listings and the URLs to Franchisor If Franchisee fails to promptly direct the Telephone Company and the ISP to assign the Telephone Numbers and Listings and the URLs to Franchisor, Franchisor shall direct the Telephone Company and the 1SP to effectuate the assignment contemplated hereunder to Franchisor The parties agree that the Telephone Company and the ISP may accept Franchisor's written direction, the Franchise Agreement or this Assignment as conclusive proof of Franchisor's exclusive rights in and to the Telephone Numbers and Listings and the URLs upon such termination or expiration and that such assignment shall be made automatically and effective immediately upon Telephone Company's and ISP' s receipt of such notice from Franchisor or Franchisee The parties further agree that if the Telephone Company or the ISP requires that the parties execute the Telephone Company's or the ISP's assignment forms or other documentation at the time of termination or expiration of the Franchise Agreement, Franchisor's execution of such forms or documentation on behalf of Franchisee shall effectuate Franchisee's consent and agreement to the assignment The parties agree that at any time after the date hereof they will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the assignment described herein upon termination or expiration of the Franchise Agreement

4 **Indemnification** Franchisee will indemnify and hold Franchsior and its affiliates, stockholders, directors, officers and representatives (collectively, the "**Indemnified Parties**") harmless from and against any and all losses, liabilities, claims, proceedings, demands, damages, judgments, injuries, attorneys' fees, costs and expenses that any of the Indemnified Parties incur as a result of any claim brought against any of the Indemnified Parties or any action which any of the Indemnified Parties are named as a party or which any of the Indemnified Parties may suffer, sustain or incur by reason of, or arising out of, Franchisee's breach of any of the terms of any agreement or contract or the nonpayment of any debt Franchisee has with the Telephone Company and/or ISP

5 **Binding Effect** This Assignment is binding upon and inures to the benefit of the parties and their respective successors-in-interest, heirs, and successors and assigns

6 **Assignment to Control** This Assignment will govern and control over any conflicting provision in any agreement or contract which Franchisee may have with the Telephone Company and/or ISP

7 **Attorney's Fees, Etc** In any action or dispute, at law or in equity, that may arise under or otherwise relate to this Assignment or the enforcement thereof, the prevailing party will be entitled to reimbursement of its attorneys' fees, costs and expenses from the non-prevailing party The term "**attorneys' fees**" means any and all charges levied by an attorney for his or her services including time charges and other reasonable fees including paralegal fees and legal assistant fees and includes fees earned in settlement, at trial, appeal or in bankruptcy proceedings and/or in arbitration proceedings

8 **Severability** If any of the provisions of this Assignment or any section or subsection of this Assignment are held invalid for any reason, the remainder of this Assignment or any such section or subsection will not be affected, and will remain in full force and effect in accordance with its terms

9 **Governing Law and Forum** This Assignment is governed by Florida law The parties will not institute any action against any of the other parties to this Assignment except in the state or federal courts of general jurisdiction in Hillsborough County, Florida, and they irrevocably submit to the jurisdiction of such courts and waive any objection they may have to either the jurisdiction or venue of such court

ASSIGNOR

_____

By _____
Print Name _____
Title _____
Date _____

By _____
Print Name _____
Date _____

ASSIGNEE

CHHJ FRANCHISING L L C

By _____
Print Name _____
Title _____
Date _____

EXHIBIT "C"

TO CHHJ FRANCHISING L L C FRANCHISE AGREEMENT

PRINCIPAL OWNER'S GUARANTY

This Guaranty must be signed by the principal owners (referred to as "**you**" for purposes of this Guaranty only) of _____ (the "**Business Entity**") under the Franchise Agreement dated_____(the "**Agreement**") with **CHHJ FRANCHISING L L C** (the "**Franchisor**")

1 **Scope of Guaranty** In consideration of and as an inducement to our signing and delivering the Agreement, each of you signing this Guaranty personally and unconditionally (a) guarantee to the Franchisor and its successors and assigns that the Business Entity will punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement, and (b) agree to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement

2 **Waivers** Each of you waive (a) acceptance and notice of acceptance by us of your obligations under this Guaranty, (b) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed by you, (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed by you, (d) any right you may have to require that an action be brought against the Business Entity or any other person as a condition of your liability, (e) all rights to payments and claims for reimbursement or subrogation which you may have against the Business Entity arising as a result of your execution of and performance under this Guaranty, and (f) all other notices and legal or equitable defenses to which you may be entitled in your capacity as guarantors

3 **Consents and Agreements** Each of you consent and agree that (a) your direct and immediate liability under this Guaranty are joint and several, (b) you must render any payment or performance required under the Agreement upon demand if the Business Entity fails or refuses punctually to do so, (c) your liability will not be contingent or conditioned upon our pursuit of any remedies against the Business Entity or any other person, (d) your liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which the Franchisor may from time to time grant to Business Entity or to any other person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims and no such indulgence will in any way modify or amend this Guaranty, and (e) this Guaranty will continue and is irrevocable during the term of the Agreement and, if required by the Agreement, after its termination or expiration

4 **Enforcement Costs** If the Franchisor is required to enforce this Guaranty in any judicial or arbitration proceeding or any appeals, you must reimburse the Franchisor for its enforcement costs Enforcement costs include reasonable accountants', attorneys , attorney's assistants', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, arbitration filing fees, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Guaranty

5 **Effectiveness** Your obligations under this Guaranty are effective on the Agreement Date, regardless of the actual date of signature Terms not otherwise defined in this Guaranty have the meanings as defined in the Agreement This Guaranty is governed by Florida law and the Franchisor may enforce its rights regarding it in the courts of Hillsborough County, Florida Each of you irrevocably submits to the jurisdiction and venue of such courts

Each of you now sign and deliver this Guaranty effective as of the date of the Agreement regardless of the actual date of signature

GUARANTORS

_____

Print Name _____
Date _____

_____

Print Name _____
Date _____

_____

Print Name _____
Date _____

EXHIBIT "D"

TO CHHJ FRANCHISING L L C FRANCHISE AGREEMENT

AUTHORIZATION AGREEMENT FOR PREARRANGED PAYMENTS (DIRECT DEBITS)

_____ (Name of Person or Legal Entity)

_____(ID Number)

The undersigned depositor ("**Depositor**") hereby authorizes CHHJ Franchising L L C ("**Franchisor**") to initiate debit entries and/or credit correction entries to the undersigned's checking and/or savings account(s) indicated below and the depository designated below ("**Depository**") ("**Bank**") to debit or credit such account(s) pursuant to Franchisor's instructions

_____ _____

Depository Branch

_____ _____ _____

City State Zip Code

_____ _____

Bank Transit/ABA Number Account Number

_____

This authorization is to remain in full and force and effect until 60 days after Franchisor has received written notification from Franchisee of its termination

_____

Depositor

By _____

Name _____

Title _____

Date _____

EXHIBIT "E"

TO CHHJ FRANCHISING L L C FRANCHISE AGREEMENT

TRANSFER OF FRANCHISE TO A CORPORATION OR LIMITED LIABILITY COMPANY

This Transfer Agreement hereby amends that certain Franchise Agreement dated_____, 20 between CHHJ Franchising L L C ("Franchisor") and_____("Franchisee")

The undersigned, an Officer, Director and Owner of a majority of the issued and outstanding voting stock of the corporation set forth below, or Members of the issued and outstanding Interests of the Limited Liability Company set forth below and the Franchisee of the College Hunks Hauling Junk® Business under a Franchise Agreement executed on the date set forth below, between himself or herself and Franchisor, granting him/her a franchise to operate at the location set forth below, and the other undersigned Directors, Officers and Shareholders of the Corporation, or the Members of the Limited Liability Company, who together with Franchisee constitute all of the Shareholders of the Corporation, or the Members of the Limited Liability Company, in order to induce Franchisor to consent to the assignment of the Franchise Agreement to the Corporation, or Limited Liability Company in accordance with the provisions of Section 16 3 of the Franchise Agreement, agree as follows

1 The undersigned Franchisee shall remain personally liable in all respects under the Franchise Agreement and all the other undersigned Officers, Directors and Shareholders of the Corporation, or the Members of the Limited Liability Company, intending to be legally bound hereby, agree jointly and severally to be personally bound by the provisions of the Franchise Agreement including the restrictive covenants contained in Article XV thereof, to the same extent as if each of them were the Franchisee set forth in the Franchise Agreement and they jointly and severally personally guarantee all of the Franchisee's obligations set forth in said Agreement

2 The undersigned agree not to transfer any stock in the Corporation, or any interest in the Limited Liability Company without the prior written approval of the Franchisor and agree that all stock certificates representing shares in the Corporation, or all certificates representing interests in the Limited Liability Company shall bear the following legend

> "The shares of stock represented by this certificate are subject to the terms and conditions set forth in a Franchise Agreement dated _____, 20 between_____and CHHJ Franchising L L C "
>
> or
>
> "The ownership interests represented by this certificate are subject to the terms and conditions set forth in a Franchise Agreement dated _____, 20 between_____and CHHJ Franchising L L C "

3 _____ or his designee shall devote his best efforts to the day-to-day operation and development of the Franchised Business

4 _____ hereby agrees to become a party to and to be bound by all of the provisions of the Franchise Agreement executed on the date set forth below between Franchisee and Franchisor, to the same extent as if it were named as the Franchisee therein

Date of Franchise Agreement _____

Location of Franchised Business _____

As to Paragraph 3

_____
[Name]

As to Paragraph 4

_____
[Name]

_____
Name of Corp or Limited Liability Company

By _____(SEAL)
Title _____

In consideration of the execution of the above Agreement, CHHJ Franchising L L C hereby consents to the above referred to assignment on this_____day of_____, 20

CHHJ FRANCHISING L L C

By _____
Title _____

EXHIBIT "F"

TO CHHJ FRANCHISING L L C FRANCHISE AGREEMENT

PRINCIPAL OWNER'S STATEMENT

This form must be completed by the Franchisee ("**I**," "**me**," or "**my**") if I have multiple owners or if I, or my franchised business, is owned by a business organization (like a corporation, partnership or limited liability company) Franchisor is relying on the truth and accuracy of this form in awarding the Franchise Agreement to me

1 **Form of Company** I am a (check one)

(a) General Partnership
(b) Corporation
(c) Limited Partnership
(d) Limited Liability Company
(e) Other
Specify _____

I was formed under the laws of_____
(state)

2 **Business Entity** I was incorporated or formed on_____, , under the laws of the State of_____ I have not conducted business under any name other than my corporate, limited liability company or partnership name and_____ The following is a list of all persons who have management rights and powers (e g , officers, managers, partners, etc) and their positions are listed below

Name of Person	**Position(s) Held**

3 **Owners** The following list includes the full name and mailing address of each person who is one my owners and fully describes the nature of each owner's interest Attach additional sheets if necessary

Owner's Name and Address	**Description of Interest**	**% of Ownership**

4 **Managing Owner** The Managing Owner (as defined in Section 9 4 of the Franchise Agreement) is_(must be one of the individuals listed in paragraph 3 above) I understand that I may not change the Managing Owner without Franchisor's prior written approval

5 **Governing Documents** Attached are copies of the documents and contracts governing the ownership, management and other significant aspects of the business organization (e g , articles of incorporation or organization, partnership or shareholder agreements, etc)

This Principal Owner's Statement is current and complete as of_____

OWNER

INDIVIDUALS

Sign _____

Print _____

Sign _____

Print _____

Sign _____

Print _____

CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP

_____
[Name]

By _____
Print Name _____
Title _____

EXHIBIT D TO THE DISCLOSURE DOCUMENT

LIST OF CURRENT FRANCHISEES AS OF DECEMBER 31, 2015

ranchisee Name and Mailing Address	No of Zones	City / Location	Telephone No
Smith Highway 72 West Unit A son, AL 35758	1 5	Huntsville	256-603-4484
Ed Neumayr W 10th St Ste	6	Phoenix	480-277-3413
and Lori Harvin N Fairway Dr Suite B-110 dale, AZ 85323	2 5	West Phoenix	973-202-7933 973-208-7010
ı Hughes 6th	1	Little Rock	501-960-0162
ı Kube E Chestnut Ave , Ste M ı Ana, CA 92701	3	Irvine	510-755-4830
ıe Takhmazyan 0 San Fernando Rd ma, CA 91331	4	Los Angeles	818-653-8545
ılva Coleman Ave Ste D11 ı Clara, CA 95050	2	San Francisco/San Jose	831-673-1225
Rudow ta Court Suite A Ramon, CA 94583	3	San Francisco East	925-708-9566
er White Larimer Street er, CO 80210	4	Denver	303-747-5644
n Elwood A N El Paso St ado Springs, CO 80907	2	Colorado Springs	719-660-5477
Slater Broadway Bldg 1-O er, CO 80221	3	Denver North	303-525-4423

rt Brockenberry 3oston Post Rd ge, CT 06477	3	Connecticut East	203-306-7097
y Sexton Jorth Drive Ste 15 ourne, FL 32934	1	Brevard County	407-761-5939
ırd Tommer and Gary Cook Hollywood Blvd 'wood, FL 33020	3	Fort Lauderdale	954-770-2583
ı & Lisa Tully Phillips Highway, Suite 22 onville, FL 32216	3	Jacksonville	916-458-1351
and Trent Lott ıouth Collins St City, FL 33563	3	Lakeland	813-267-3005 813-830-8780
Pallipatte Davis Blvd es, FL 34104	1	Naples	239-777-9175
AcKay Edgewater Drive Ste 3600 ıdo, FL 32810	6	Orlando	407-718-2599
Reiss Depot Ave Ste 1 ıy Beach, FL 33444	6	Palm Beach County/North Broward	561-602-5009
ınd Ryan Bailey N Washington Blvd Rear Unit #29 ota, FL 34234	2	Sarasota	586-596-0321 586-651-8180
lan Underwood and Acey Ignacio 47TH Ave N tersburg, FL 33714	3	St Petersburg	813-422-0334 813-503-2700
rt Gleghorn Grand Blvd Port Richey, FL 34652	2 5	Tampa North	727-686-0289
r Panitch H Peachtree Industrial Blvd ross, GA 30092	4	Atlanta	404-849-2016
ırd Purgason B U Bowman Dr #105 rd, GA 30518	3	Atlanta Northeast	770-654-4289

fer and Norbert J Schmeidler III Attic Parkway NW Suite 204 esaw, GA 30152	1	Atlanta West	678-788-5511
Johnson Wickham Court tyville, IL 60048	3	Lake County	847-494-0533
ey Gummow and Scarlett Dornbrook N 2nd Street iesney Park, IL 61115	1	Rockford	608-345-3154
ohnson East 88th Street, Suite 400 napolis, IN 46256	2	Indianapolis	317-625-1508
n Lampson N 77th Street as City, KA 66204	2 5	Kansas City	913-515-5521
ia Vaughn Trade Street, Suite H igton, KY 40511	1 5	Lexington	859-312-1720
am Martin Daventry Lane #302 .ville, KY 40223	1	Louisville	502-417-2929
iond Bradshaw Belair Rd Unit 20 ngham, MD 21236	2	Baltimore	443-250-9396
Bates Renard Ct Ste L polis, MD 21401	2	Anne Arundel	301-335-2385
Burton Industry Ln Ste	2	Howard County	410-446-8461
Tereshko idicott St Bldg 25 'ood, MA 02062	2	Boston South	774-262-7303
Ryan and Patrick Lipa W 11 Mile Road son Heights, MI 48071	2	Detroit	586-713-3355
a Beckley 4 Five Mile Road ord, MI 48239	2	Detroit Northwest	248-765-3903

ınd Angıe Hawley Lapeer Rd MI 48503	1	Flint	810-247-2542
Burkle and Bıll Mıllbrandt East Oakland Ave ng, MI 48906	1	Lansıng	517-420-6490 269-591-9191
s (Skıp) Chrıstıansen 1 Kenwood Trl vılle, MN 55044	1	Mınneapolıs	651-357-5843
ıy Knospe 3rakke Drıve #106 on, MN 54016	1	St Paul East	715-716-0408
& Jennıfer Carter oley Street on, MS 39202	1	Jackson	601-345-8195
W Bussard Corporate Square Drıve ɔuıs, MO 63132	2	St Louıs	314-283-0098
and Ruben Garcıa Bloomfield Avenue lıng 7 ıeld, NJ 07004	6	New Jersey North	862-668-5007
y Zıatyk lıet Dr ɔorough, NJ 08844	2	Somerset	908-307-2757
n Nıckels and Ted Panebıanco Hoffman Ln dıa, NY 11749	9	Long Island	Ted- 516-236-9382 Steven 813-748-6337
ıas Yewdell 39 nport Street ord, CT 10801	3	Westchester, Yonkers, New York and Stamford, Connecticut	203-817-0400
ɛl Church Chastaın Ave Unıt 24 otte, NC 28217	3	Charlotte	704-430-7567
ɔny Auman ıtervıew Drıve ısboro, NC 27407	1	Greensboro	336-460-0785
n Roper Westgate Park Dr Ste 114 gh, NC 27617	3	Raleıgh/Durham	919-247-0481

Swanson and Duane Swanson Windward Drive n, OH 45242	2	Cincinnati	513-594-5472
Arpin Parkway Lane, Unit #9 rd, Ohio 43214	1 5	Columbus	614-506-1533
nd Cheri Tietjen Central Ave Ste 27 vare, OH 43015	4	Delaware, Ohio and Columbus (East), Ohio	740-816-5165
Welch 9 Railway Dr Suite A oma City, OK 73114	3	Oklahoma City	405-315-8530
an Parker 7 Plateau Dr Unit 4 , OR 97701	1	Bend	218-779-0612
nd Mary Anne Losco Bergey Rd Ste E eld, PA 19440	2 5	Bucks County	215-327-1891 215-327-1946
Potosky East Market Street , PA 17368	2	Central Pennsylvania	717-940-8240
ael Ort Union St Chester, PA 19382	3	Philadelphia	717-903-6433
Charles William Hwy ing 14 on Park, 5101	2	Pittsburgh West	724-502-4035
ew Lawrie West Cedar t Suite 4 et Square, 9348	1	South Chester	484-731-4160
ey Simmons Bay Street eston, SC 29401	1 5	Charleston	276-608-3485

ermo andez Centre e Ste A Mill, SC 5	1	Fort Mill	704-619-0310
Carpenter Vest End Ave ville, TN 37934	1 5	Knoxville	865-919-7321
k Lombardi 443 McNally Dr ville, TN 37211	3	Nashville	615-946-7068
Helmer W Howard Ln Ste 1 n, TX 78753	4	Austin	512-740-8608
y Gaither and Amber Bush Rodeo Trail # 160 field, TX 76063	1	Ft Worth	817-500-3708 817-500-3709
Wood 0 FM 2920 Ste G-325 all, TX 77377	4	Houston	832-515-1531
d and Barbara Betzko W Park Dr /Tollway Ste #E001 ton, TX 77057	2	Houston Central	832-721-8791 281-682-1215
Wright 1 Interstate 45 South oe, TX 77385	3	Houston Northeast	832-472-7028
el Winders East Broadway Suite #201 and, TX 77581	3	Houston South	713-922-3598
and Ashley Shahan FM 1092 Rd , Ste 408 ouri City, TX 77459	2	Houston Southwest	281-726-9831 325-513-6768
Steinman Independence Pkwy Ste 201 , TX 75075	2	Plano	214-417-7307
auderdale and Terry Czarobski Grissom Rd Unit 104 Antonio, TX 78251	1	San Antonio West	210-422-7333 210-241-3563

Westermann Stuart Drive Church, VA 22042	5	Arlington	703-608-7920
nce Mann 3 Albemarle ottesville, 2902	1	Charlottesville	276-623-6598
ahannock Goodwill Industries dy Van Valkenburgh Market St P O Box 905 ricksburg, VA 22408	1	Fredericksburg	540-419-8301
ey Braziel Box 4182 othian, VA 23113	2	Richmond	804-543-0355
Bakke and Parke Atkinson Rutherford Road Suite 101 nia Beach, VA 23455	3	Virginia Beach	703-851-9224 757-709-1990
ien Arvoy Agape Way iens City, VA 22655	2	Virginia Northwest	540-877-7901
Milbrandt and Colin Wiggins Oreas Street, Suite 206 le, WA 98108	2	Seattle Central	206-595-7873 206-992-4044
Biggam 0 W Ripley Ave watosa, WI 53226	2	Milwaukee	414-617-1331
ey Gummow and Scarlett brook Terminal Drive irland, WI 53558	1	Madison	608-345-3154

FRANCHISEES NOT YET OPEN
AS OF DECEMBER 31, 2016

Franchisee Name and Mailing Address	No of Zones	City / Location	Telephone No
ıa Coyne)xmoor Circle Suite 109 ewood, AL 35209	1	Birmingham	256-604-9383
;astle Clarkston ıtrial Blvd E ston, GA 1	2	Atlanta East	404-561-4075
Baker*	1 5	Boise	618-967-2064
ın berg Jorth ed Suite ıgo, IL 2	3	Chicago	516-815-2121
(braimı*	1	South Chicago	708-769-5050
Lynch 0 Hickman uite H , IA 50325	1	Des Moines	515-321-9027
T Cusack 28th St, d Rapids, 9512	2	Grand Rapids	616-824-1881
Hughes*	2	Lincoln-Omaha	402-419-6202

Loughridge Lee Road .land, OH 8	2	Cleveland	216-394-8392
k ɔardo*	2	Portland	971-280-2190
ael Smith 3rd Ave S le Beach, 9577	1	Myrtle Beach	843-267-8846
Gonzalez*	1	Beaumont	409-201-9815

EXHIBIT E TO THE DISCLOSURE DOCUMENT

›T OF FRANCHISEES WHO HAVE HAD AN OUTLET TERMINATED, CANCELLED, NOT RENEWED OR OTHERWISE CEASED TO DO BUSINESS DURING THE YEAR ENDED DECEMBER 31, 2016OR WHO HAVE NOT COMMUNICATED WITH US WITHIN 10 WEEKS OF THE DATE OF THE DISCLOSURE DOCUMENT

Franchisee Name	No of Zones	City / Location	Telephone No	Terminated, Cancelled, Not Renewed, Transferred, Other
Gembis	2	Tucson, Arizona	248-761-7165	Cancelled
ınd Robın Davıs	2	San Diego, Calıfornıa	312-519-8464	Not Renewed
n Bienko	2	Fort Myers, Florıda	201-852-6612	Mutual Termınatıon
Poore and Ron Rick	4	Mıamı, Florıda	561-543-4331	Cancelled
lley	2	Boston, Massachusetts	978-204-9732	Not Renewed
Vısconti	1	Las Vegas, Nevada	702-931-0624	Cancelled
n Bienko	5	North New Jersey	201-852-6612	Mutual Termınatıon
owell	2	Dayton, Ohıo	614-314-4414	Cancelled
' Cates	2	San Antonıo, Texas	405-200-7485	Cancelled

EXHIBIT F TO THE DISCLOSURE DOCUMENT
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EXHIBIT H TO THE DISCLOSURE DOCUMENT

FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT

As you know, CHHJ Franchising L L C (the "**Franchisor**") and you are preparing to enter into a franchise agreement (the "**Franchise Agreement**") for the establishment and operation of a College Hunks Hauling Junk® Business (the "**Franchised Business**") The purpose of this Questionnaire is to determine whether any statements or promises were made to you by existing franchisees, employees or authorized representatives of the Franchisor, or by employees or authorized representatives of a broker acting on behalf of the Franchisor ("**Broker**"), that have not been authorized, or that were not disclosed in the Disclosure Document or that may be untrue, inaccurate or misleading The Franchisor, through the use of this document, desires to ascertain (a) that the undersigned, individually and as a representative of any legal entity established to acquire the franchise rights, fully understands and comprehends that the purchase of a franchise is a business decision, complete with its associated risks, and (b) that you are not relying upon any oral statement, representations, promises or assurances during the negotiations for the purchase of the franchise which have not been authorized by Franchisor

In the event that you are intending to purchase an existing Franchised Business from an existing Franchisee, you may have received information from the transferring Franchisee, who is not an employee or representative of the Franchisor Please review each of the following questions and statements carefully and provide honest and complete responses to each

1 Are you seeking to enter into the Franchise Agreement in connection with a purchase or transfer of an existing Franchised Business from an existing Franchisee?

Yes _____ No _____

2 I had my first face-to-face meeting with a Franchisor representative on _____, 20___

3 Have you received and personally reviewed the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes _____ No _____

4 Do you understand all of the information contained in the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes _____ No _____

If no, what parts of the Franchise Agreement, any Addendum, and/or related agreement do you not understand? (Attach additional pages, if necessary)

_____

_____

_____

_____

_____

_____

5 Have you received and personally reviewed the Franchisor's Disclosure Document that was provided to you?

Yes _____ No _____

6 Did you sign a receipt for the Disclosure Document indicating the date you received it?

Yes _____ No _____

7 Do you understand all of the information contained in the Disclosure Document and any state-specific Addendum to the Disclosure Document?

Yes _____ No _____

If No, what parts of the Disclosure Document and/or Addendum do you not understand? (Attach additional pages, if necessary)

_____
_____
_____
_____
_____
_____

8 Have you discussed the benefits and risks of establishing and operating a Franchised Business with an attorney, accountant, or other professional advisor?

Yes _____ No _____

If No, do you wish to have more time to do so?

Yes _____ No _____

9 Do you understand that the success or failure of your Franchised Business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, location, lease terms, your management capabilities and other economic, and business factors?

Yes _____ No _____

10 Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the actual or potential revenues, profits or operating costs of any particular Franchised Business operated by the Franchisor or its franchisees (or of any group of such businesses), that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

11 Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise regarding the amount of money you may earn in operating the franchised business that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

12 Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the total amount of revenue the Franchised Business will generate, that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

13 Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise regarding the costs you may incur in operating the Franchised Business that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

14 Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Franchised Business?

Yes _____ No _____

15 Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that the Franchisor will furnish to you that is contrary to, or different from, the information contained in the Disclosure Document or franchise agreement?

Yes _____ No _____

16 Have you entered into any binding agreement with the Franchisor concerning the purchase of this franchise prior to today?

Yes _____ No _____

17 Have you paid any money to the Franchisor concerning the purchase of this franchise prior to today?

Yes _____ No _____

18 Have you spoken to any other franchisee(s) of this system before deciding to purchase this franchise? If so, who? _____

_____

If you have answered No to question 9, or Yes to any one of questions 10-17, please provide a full explanation of each answer in the following blank lines (Attach additional pages, if

necessary, and refer to them below) If you have answered Yes to question 9, and No to each of questions 10-17, please leave the following lines blank

_____

_____

_____

_____

I signed the Franchise Agreement and Addendum (if any) on _____, 20___, and acknowledge that no Agreement or Addendum is effective until signed and dated by the Franchisor

Please understand that your responses to these questions are important to us and that we will rely on them By signing this Questionnaire, you are representing that you have responded truthfully to the above questions In addition, by signing this Questionnaire, you also acknowledge that

A You recognize and understand that business risks, which exist in connection with the purchase of any business, make the success or failure of the franchise subject to many variables, including among other things, your skills and abilities, the hours worked by you, competition, interest rates, the economy, inflation, franchise location, operation costs, lease terms and costs and the marketplace You hereby acknowledge your awareness of and willingness to undertake these business risks

B You agree and state that the decision to enter into this business risk is in no manner predicated upon any oral representation, assurances, warranties, guarantees or promises made by Franchisor or any of its officers, employees or agents (including any franchise broker) as to the likelihood of success of the franchise Except as contained in the Disclosure Document, you acknowledge that you have not received any information from the Franchisor or any of its officers, employees or agents (including any franchise broker) concerning actual, projected or forecasted franchise sales, profits or earnings If you believe that you have received any information concerning actual, average, projected or forecasted franchise sales, profits or earnings other than those contained in the Disclosure Document, please describe those in the space provided below or write "None "

_____

_____

_____

C You further acknowledge that the President of the United States of America has issued Executive Order 13224 (the "**Executive Order**") prohibiting transactions with terrorists and terrorist organizations and that the United States government has adopted, and in the future may adopt, other anti-terrorism measures (the "**Anti-Terrorism Measures**") The Franchisor therefore requires certain certifications that the parties with whom it deals are not directly involved in terrorism For that reason, you hereby certify that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, is

(i) a person or entity listed in the Annex to the Executive Order,

(ii) a person or entity otherwise determined by the Executive Order to have committed acts of terrorism or to pose a significant risk of committing acts of terrorism,

(iii) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism, or

(iv) owned or controlled by terrorists or sponsors of terrorism

You further covenant that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, will during the term of the Franchise Agreement become a person or entity described above or otherwise become a target of any Anti-Terrorism Measure

Acknowledged this _____ day of _____, 20____

Sign here if you are taking the franchise as an

INDIVIDUAL

_____
Signature

Print Name_____

_____
Signature

Print Name_____

_____
Signature

Print Name_____

_____
Signature

Print Name_____

Sign here if you are taking the franchise as a **CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP**

_____
Print Name of Legal Entity

By _____
Signature

Print Name_____

Title_____

EXHIBIT I TO THE DISCLOSURE DOCUMENT

DEPOSIT AGREEMENT

THIS DEPOSIT AGREEMENT (the "**Agreement**") is made and entered into on _____, 20___ (the "**Effective Date**") by and between CHHJ Franchising L L C , a Florida limited liability company with its principal place of business at 1513 East 9th Avenue, Tampa, Florida 33605 ("**Franchisor**") and _____, a _____ [resident] [corporation] [partnership] [limited liability company] [residing at] [with offices located at] _____ ("**Depositor**") Franchisor and Depositor are sometimes referred to individually as a "**party**" and collectively as the "**parties** "

RECITALS

WHEREAS, Franchisor is in the business of developing and operating a system consisting of franchised and company-operated "College Hunks Hauling Junk®" and "College Hunks Moving®" franchised businesses under Franchisor's trademarks, service marks, and system ("**Franchised Businesses**"),

WHEREAS, Depositor wishes to apply to become a franchisee under Franchisor's system pursuant to a franchise agreement, which, if entered into by Depositor and Franchisor, would confer upon Depositor the right and obligation to open a Franchised Business within an agreed-upon marketing area,

WHEREAS, Franchisor must expend considerable time, effort, and cost during the period (the "**Evaluation Period**") needed to evaluate the applicant's qualifications and suitability to become a franchisee and to evaluate the proposed marketing area,

WHEREAS, Depositor wishes to place a deposit with Franchisor as evidence of Depositor's good faith during the Evaluation Period

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties agree as follows

1 **Deposit** Upon execution of this Agreement, Depositor shall pay Franchisor the sum of _____ Thousand Dollars ($_____) as a non-interest bearing deposit (the "**Deposit**") Such Deposit represents thirty percent (30%) of the initial franchise fee for the Franchised Business that Depositor is seeking to purchase pursuant to Franchisor's Franchise Agreement, or

2 **No Refunds** The Deposit shall not be refundable to Depositor

3 **Credit** Upon execution of a Franchise Agreement between the parties, the full amount of the Deposit shall be credited by Franchisor toward payment of the initial franchise fee due under the agreement entered into by the parties

4 **Deposit Area** During the Evaluation Period, Franchisor and Depositor shall explore the prospect of entering into a franchise agreement for one (1) Franchised Business within the following area _____ (the "Deposit Area") The only purpose of the Deposit Area is to describe the area within which they will focus their attention during the Evaluation Period Nothing in this Agreement (except for Section 6 below) shall prevent Franchisor or Depositor from entering into any agreement, conducting business, or taking any action within the Deposit Area or elsewhere By entering into this Agreement, neither party shall be bound to enter into a franchise agreement with the other

5 **Application** Depositor agrees to make all applications and provide all information reasonably requested by Franchisor to evaluate Depositor's qualification and suitability to enter into a franchise agreement with Franchisor

6 **Confidentiality** During the Evaluation Period, certain confidential information about Franchisor and its system will be disclosed or otherwise made known to Depositor ("**Confidential**

Information") Depositor agrees to respect and maintain the confidential nature of such Confidential Information, and not in any way disclose the Confidential Information to anyone else, nor in any way use the Confidential Information in the operation of any business (excluding a Franchised Business operated pursuant to a franchise agreement) It is agreed that Depositor's obligations under this Section 6 shall not expire upon termination of this Agreement

7 **Evaluation Period** The parties agree that the Evaluation Period shall last for _____ (__) days from the Effective Date, unless the parties otherwise agree in writing

8 **Termination** This Agreement shall terminate at the earlier of (a) the parties' entry into a franchise agreement, as applicable, or (b) the end of the Evaluation Period

9 **No Franchise Rights** This Agreement is not a franchise and does not grant Depositor any right whatsoever to use the College Hunks Hauling Junk® and/or College Hunks Moving® marks and/or system, which rights can only be granted under a franchise agreement entered into by Depositor and Franchisor Depositor shall not use the College Hunks Hauling Junk® and/or College Hunks Moving® marks or system, nor shall Depositor make any representation or commitment on Franchisor's behalf

10 **Acknowledgment** Depositor acknowledges receipt of Franchisor's Disclosure Document at least fourteen (14) calendar days before the Effective Date

11 **Full Agreement** This Agreement incorporates the full and complete agreement between the parties concerning the subject of this Agreement, and supersedes any and all prior correspondence, conversations, representations, or statements of whatever nature concerning the subject of this Agreement Nothing in this or in any related agreement, however, is intended to disclaim the representations made in the Franchise Disclosure Document we furnished to you This Agreement neither evidences, nor commits us to, an award of a Franchise to you Any grant of a Franchise to you will be subject to a definitive Franchise Agreement mutually acceptable and signed by both you and us However, in the meantime, you and we will naturally be expected to investigate each others' qualifications, background and respective businesses Thus, each of us will cooperate with each other to obtain further information in order to proceed on a mutually beneficial business basis Neither party has any obligation to the other party other than as described in this Agreement

12 **Governing Law** This Agreement shall be interpreted under the laws of the State of Florida without regard to its conflict of laws principles

13 **Counterparts** The parties may execute this Addendum in printed or electronic counterparts and by manual, facsimile, or electronic signature Each executed counterpart of this Addendum will constitute an original document and all executed counterparts together will constitute the same agreement

"FRANCHISOR"	**"DEPOSITOR"**
_____	_____
By _____	By _____
Name _____	Name _____
Title _____	Title _____

RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language Read this Disclosure Document and all agreements carefully

If CHHJ Franchising L L C offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale New York and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of any binding franchise or other agreement, or payment of any consideration that relates to the franchise relationship Michigan requires that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement, or payment of any consideration, whichever occurs first

If CHHJ Franchising L L C does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D C 20580 and any applicable state agency (as listed in Exhibit "A" to this Disclosure Document)

The franchisor is CHHJ Franchising, L L C , located at 1513 East 9th Avenue Tampa, Florida 33605 Its telephone number is (800) 586-5872

We authorize the respective state agencies identified on Exhibit "A" to receive service of process for us if we are registered in the particular state

Issuance Date March 30, 2017

The name, principal business address, and telephone number of the franchise seller(s) offering the franchise are

Name	Principal Business Address	Telephone Number
Omar A Soliman	1513 East 9th Avenue, Tampa, Florida 33605	(800) 586-5872
Nick Friedman	1513 East 9th Avenue, Tampa, Florida 33605	(800) 586-5872
Frank M Morrison	1513 East 9th Avenue, Tampa, Florida 33605	(800) 586-5872
Danielle Wright Kimble	1513 East 9th Avenue, Tampa, Florida 33605	(800) 586-5872

I received a Disclosure Document dated March 30, 2017 (the state effective dates are listed on the pages preceding the table of contents) The Disclosure Document included the following Exhibits

A – State Agencies/Agents for Service of Process	F – Table of Contents of Operations Manual
B – State Specific Addenda	G – Financial Statements
C – Franchise Agreement	H – Franchisee Disclosure Acknowledgment Statement
D – List of Current Franchisees	I – Deposit Agreement
E – List of Franchisees Who Have Left the System	

Date _____
(Do not leave blank)

_____
Signature of Prospective Franchisee

_____
Print Name

You may return the signed receipt either by signing, dating and mailing it to CHHJ Franchising, L L C at 1513 East 9th Avenue, Tampa, Florida 33605, or by faxing a copy of the signed and dated receipt to CHHJ Franchising, L L C at (813) 902-6710

KEEP THIS COPY FOR YOUR RECORDS

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(RETURN THIS COPY TO US)