Rec'd 5/30/18

FRANCHISE DISCLOSURE DOCUMENT FOR PROSPECTIVE FRANCHISEES

HANDEL'S ENTERPRISES, INC.

An Ohio Corporation
3830 Starr Centre Drive
Canfield, Ohio 44406
330-702-8270
info@handelsicecream.com

The franchisee will operate a business selling homemade ice cream, sherbet, ices, sorbet, frozen yogurt and other ice cream products that principally involves the establishment and operation of an ice cream parlor.

The total investment necessary to begin operation of a *Handel's* franchise is from $208,500.00 to $608,750.00. This includes $50,000.00 that must be paid to the franchisor or affiliate.

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 James Brown at 3830 Starr Centre Drive, Canfield, Ohio 44406, 330-702-8270.

This disclosure document summarizes certain provisions of your Franchise Agreement, Exhibit H, and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this 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 governmental agency has verified the information contained in this document.**

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 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 Ave., 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: 3/28/2018

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 administration listed in Exhibit A for information about the franchisor, 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 DOES NOT CONTAIN ARBITRATION OR AN AGREEMENT TO ARBITRATE.

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

3. THERE MAY BE OTHER RISK FACTORS CONCERNING THIS FRANCHISE

Effective Date:

FRANCHISE DISCLOSURE DOCUMENT
FOR PROSPECTIVE FRANCHISEES

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ITEM 1

The Franchisor, and any Parents, Predecessor and Affiliates

The Franchisor

Any reference to the word ("you") means the franchisee.

HANDEL'S ENTERPRISES, INC. ("we" or "us") was incorporated in the State of Ohio on March 1, 1998 and maintains its principal place of business at 3830 Starr Centre Drive, Canfield, Ohio 44406 We conduct all general business under our registered trade name, *Handel's*. We do not have a parent entity and we do not maintain a sales office at any location other than our principal place of business, and do not retain the services of any sales organization, including a Franchise Broker.

Since 1989, we and our predecessor have selectively offered franchises for the establishment of retail businesses which principally establish and operate ice cream parlors under the *Handel's* name. We have only offered *Handel's* Franchises. You must use all of our trademarks, service marks, trade names, advertising and other commercial symbols for your franchises, which we have designated in Schedule A to the Franchise Agreement, Exhibit H. Our agents for service of process are listed in Exhibit B.

Our Predecessors and Affiliates

Mer-Len, Inc. Is the predecessor of Handel's Enterprises, Inc. The company was incorporated in the State of Ohio in 1986 and maintains its principal place of business at 3830 Starr Centre Drive, Canfield, Ohio 44406. The Corporation was formed to own and operate *Handel's* ice cream parlors, and also to sell the initial *Handel's* franchises. Upon the formation of Handel's Enterprises, Inc., all existing franchises were transferred to Handel's Enterprises, Inc. By Mer-Len, Inc. Under the terms of Item 17.01 of the Franchise Agreement, Exhibit H, for each franchise.

We are affiliates of Handel's Inc., and Bub Inc., all entities which operate ice cream parlors under the name *Handel's* and have not conducted business in any other line of business and are owned or controlled substantially by the same individuals as us. The affiliates of Handel's Enterprises Inc. do not offer the sale of franchises. Principal business address of the affiliates is 3830 Starr Centre Drive, Canfield, Ohio 44406. The affiliates have not offered franchises.

The Franchise Offered

We will offer to individuals, partnerships, or corporations ("you") a franchise agreement (the "Franchise Agreement") which grants you the right to establish and operate a retail ice cream parlor business which will principally establish and operate an ice cream parlor under the *Handel's* name. The Franchise is primarily operated from a free standing structure designed and constructed to our specifications and our unique trade dress, but other structures can be used. Adequate parking facilities are important to the success of a *Handel's* Franchise. The distinguishing characteristics of a *Handel's* Franchise include distinctive exterior and interior design, color scheme, fixtures and furnishings, menus, recipes, methods, uniform standards, procedures for management control, training

and assistance, and advertising and promotional programs, all of which may be changed, improved and further developed by us.

There are other Franchise Opportunities which are similar to the *Handel's* Franchise. There are also many individually owned ice cream parlors which would be similar to and competitive with us.

A Franchisee may purchase additional franchises upon the company's approval and by executing the then current Franchise Agreement, Exhibit H, and the payment of our then current Franchise Fee.

Industry-Specific Regulations

Most locations require a "Food Service License" and a "Vendor's License" in order to operate the business. Most states require a food service license and other licenses for the preparation and sale of food and drink to the public, and these licenses must be maintained in good standing. We are not presently aware of any other regulations or special permits required for you to operate your franchised business. However, specific inquiry should be made with your state and local authorities.

OSHA and health regulations as well as other state and local specific safety and workplace regulations may affect the types of safety devices and equipment you must make available to or be required to offer to your employees. These can vary from jurisdiction to jurisdiction and specific inquiry should be made with your state and local authorities.

ITEM 2
BUSINESS EXPERIENCE

Leonard Jerome Fisher
Leonard J. Fisher has been a current employee of Handel's Enterprises Inc. 3830 Starr Centre Drive Canfield, Ohio 44406 since 1986. Leonard serves as *Handel's* President/CEO.

James Jude Brown
James J. Brown has been a current employee of Handel's Enterprises Inc. 3830 Starr Centre Drive Canfield, Ohio 44406 since November of 2000. James serves as *Handel's* Chief Operating Officer/Secretary.

Jody Lee Nerone
Jody L. Nerone has been a current employee of Handel's Enterprises Inc. 3830 Starr Centre Drive Canfield, Ohio 44406 since March of 1999. Jody serves as *Handel's* Marketing and Franchise Liaison.

Sarah Alice Bradley
Sarah A. Bradley has been a current employee of Handel's Enterprises Inc. 3830 Starr Centre Drive Canfield, Ohio 44406 since April of 1997. Sarah serves as *Handel's* Human Resource Director & Outside Sales Coordinator.

Georgia Lynn Kusiowski
Georgia L. Kusiowski began her current employment with Handel's Enterprises Inc. 3830 Starr Centre Drive Canfield, Ohio 44406 since April of 2006. Georgia serves as *Handel's* Controller.

Jeffrey Alan Scacchetti
Jeffrey A. Scacchetti has been a current employee of Handel's Enterprises Inc. 3830 Starr Centre Drive Canfield, Ohio 44406 since April 2001. Jeffrey serves as *Handel's* Regional Sales Manager.

Cheyenne Sierra Fetty
Cheyenne S. Fetty has been a current employee of Handel's Enterprises Inc. 3830 Starr Centre Drive Canfield, Ohio 44406 since March of 2012. Cheyenne serves as *Handel's* Administrative Assistant.

Katelyn Marie Salreno
Katelyn M. Salreno has been a current employee of Handel's Enterprises Inc. 3830 Starr Centre Drive Canfield, OH 44406 since March of 2008. Katelyn serves as *Handel's* Administrative Assistant.

ITEM 3
LITIGATION

Handel's Enters., Inc. v. Kenneth S. Schulenburg, Juliana Ortiz, and Moonlight101, Inc., Case No. 4:18-cv-00508, filed on March 5, 2018 against a Handel's franchisee and its principals ("Defendants") and now pending in the United States District Court for the Northern District of Ohio, Eastern Division. Handel's seeks a declaratory judgment and damages in excess of $75,000.00, including compensatory damages for unpaid royalties, future royalties, and failure to pay the franchise fee, punitive damages, and attorneys' fees. Handel's claims include breach of contract, fraudulent concealment, fraud, conversion, tortious interference, trademark infringement, dilution, false designation, and unfair competition. With its Complaint, Handel's also moved for a preliminary injunction to enjoin the Defendants from misappropriating Handel's confidential and propriety trade secrets and breaching the franchise agreement in the anticipated opening of a competing business. On March 27, 2018, the Defendants moved to dismiss, stay, or transfer the action to the Southern District of California. On March 30, 2018, the Defendants answered Handel's complaint and did not assert counterclaims against Handel's. On April 3, 2018, the Defendants filed an opposition to Handel's motion for preliminary injunction. A hearing on Handel's' motion for preliminary injunction is scheduled for May 9, 2018. The litigation is currently in the pleading stage and discovery has yet to commence. No trial date has been set.

Kenneth Schulenburg and Moonlight101, Inc. v. Handel's Enters., Inc., Case No. 3:18-cv-00513, filed by a Handel's franchisee and its principal and now pending in the United States District Court for the Southern District of California, San Diego Division. The lawsuit was originally filed in the San Diego County Superior Court on January 30, 2018, but Handel's removed the lawsuit to federal court. Plaintiffs seeks damages in an amount to be proven at trial for the alleged unregistered sale of a franchise in violation of California Franchise Investment Law. The damages sought by Plaintiffs include rescission of the franchise agreement, return of the franchise fee, and disgorgement of

royalties paid, punitive damages and attorneys' fees. The litigation is currently in the pleading stage and discovery has yet to commence. No trial date has been set

ITEM 4
BANKRUPTCY

No bankruptcies are required to be disclosed in this franchise disclosure document.

ITEM 5
INITIAL FEES

Upon execution of the Franchise Agreement, Exhibit H, in order to obtain or commence the Franchise operation, you must pay a non-reoccurring Franchise Fee in the amount of $50,000.

The initial franchise fee is fully earned and non-refundable in consideration of administrative and other expenses incurred by us in entering into the Franchise Agreement, Exhibit H, and for our lost or deferred opportunity to enter into the Franchise Agreement with others. We offer no financing, direct or indirect, for the initial franchise fee.

During our past fiscal year, the initial fee has been uniform and in the amount of $50,000.00. You will receive application forms, employee manuals, and will be loaned 1 supervisor manual, 1 supplier list, 1 product list, 1 starting inventory list, 1 Parlor Manual, and 1 Confidential Operations Manual. You will receive up to one 40 hour week of on-site start-up help by one of our trainers. Prior to your opening an off-site location will be provided to train your managers. Your managers' travel and lodging will be at your expense. Certain key employees will also be offered off-site training at our discretion. Additional training will be made reasonably available to you at our then current rates. Each of your employees must successfully complete our training courses at your expense.

If you desire to expand your primary area of responsibility, you are subject to the same initial Franchise Fee for each additional Franchise which is also non-refundable.

ITEM 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fee	Six Percent of Gross Revenue*	Monthly	Payable to Franchisor
Individual Advertising	One Percent of Gross Revenue*	Monthly	Payable to Various (t.v., radio, print media)

Type of Fee	Amount	Due Date	Remarks
Initial Advertising	$3,000	Prior to Opening	Payable to Various (t.v., radio, print media)
Telephone Listing (one line required; one high speed internet dedicated to modem and credit card machine)	Varies	Monthly or Annually	Payable to Telephone Company
Transfer	50% of all of the costs incurred by us as a result of the transfer plus 50% of the then current Initial Franchise Fee	Upon Demand	Payable to Franchisor
Accounting	Cost of Audit plus 10% interest on underpayment	N/A	Only if Audit reveals underpayment of 3% of gross revenue for any month
Interest	Lesser of 2% above prime or maximum rate permitted by law	N/A	Payable on overdue accounts
Equipment	Varies See Item 7	For leased items	See Items 7 and 10

All fees that are imposed by and payable to us are non-refundable.

*Gross Revenue – includes all revenues from the franchise location
*Gross Sales – does not include sales tax or use tax

ITEM 7
ESTIMATED INITITAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount *	Method of Payment	When Due	To Whom Payment Made
Initial Franchise Fee and Expenses[1]	$50,000	Lump Sum	Execution	Us
Real Property[2]	$0 to $15,000 (total for 3 months)	Monthly for Lease	As Arranged	Lessor
Construction Costs[2, Attach C]	$0 to $300,000	Progress Payments	As Arranged	Contractor
Signage[4]	$20,000 to $35,000	As Arranged	As Arranged	Suppliers
Equipment[3]	$120,000 to $180,000	As Arranged	As Incurred	Suppliers
Opening Advertising[5]	$1,000 to $5,000	As Arranged	As Incurred	Suppliers
Pre-Opening Salaries, Travel and Initial Training[6]	$2,000 to $3,000	As Arranged	As Arranged	Suppliers of transportation food, lodging
Start-up Supplies[7]	$15,000 to $19,000	As Arranged	As Incurred	Suppliers
Insurance[8]	$500 to $1750	As Arranged	As Incurred	Insurers
Zoning Expenses[9]	-0-			

Type of Expenditure	Amount *	Method of Payment	When Due	To Whom Payment Made
Utility Deposits[10]	$1000 to $15,000	As Arranged	As Incurred	Lessor, Utility Companies
Architect Design[11]	$3,000 to $6,000	As Arranged	As Incurred	Architect
Professional Fees[12]	$2,000 to $5,000	As Arranged	As Incurred	Professionals
Additional Funds[13]	$10,000 to $20,000			
TOTAL[14]	$208,500 to $608,750			

NOTES:

* All fees with the exception of any zoning expenses are non-refundable.

(1) The initial franchise fee and certain expenses are discussed in detail in Item 5. *Handel's* does not provide direct or indirect financing.

(2) Our estimate of the Franchisee's initial investment assumes that you are leasing a location and that you are not capitalizing your lease. That is, you are not adding your lease or rent payments to your initial investment. If you purchase land that we approve, and build to our specifications, your initial investment will increase by the land cost and at least an additional $300,000.00 for land improvements and building costs. For additional construction information see Exhibit C. Also, costs are based on a 1500 to a 1600 square foot facility. If you require a larger facility, your cost may increase accordingly. Local zoning may restrict your ability to operate a business from certain locations. You should make a specific inquiry. The cost will vary depending on the condition of the Premises. You will also need to install indoor and outdoor signage. See Item 10.

(3) You must lease or purchase the furniture, fixtures and equipment identified on the attached schedule captioned "Necessary Start-up Furniture, Fixtures and Equipment" or comparable equipment, in order to conduct your business. The cost to purchase the furniture, fixtures and equipment is estimated at $120,000 to $180,000 depending upon make, model and whether new or used equipment is required, also the size, age and layout of your building is a significant factor in your cost analysis. You will need

to install fixtures, furnishings and items which comply with our specifications. You must purchase or lease certain items of equipment, including specific batch freezers, phone hook-ups, sinks and cooler space. See Item 10 for a description of financing that may be available for such items.

(4) You will need to install indoor and outdoor signage.

(5) Prior to opening the Franchised Business, the advertising which you will need may include media buys and promotional items.

(6) You will incur salary, travel and lodging expenses. You will also incur expenses associated with our initial training program. For this training program, we provide instructors and instructional materials, but you will need to arrange for transportation, lodging and food for yourself and employees and for any wages for the employees. The cost will depend on the distance you must travel and the type of accommodations you choose. The amounts on the chart cover the three-month period following the opening of the Franchised Business.

(7) We estimate that the range given will be sufficient to cover supplies of ice cream mix and products, and cleaning, office and general supplies for a ten day period following the opening of the Franchised Business. Except as described below, we will not offer, directly or indirectly, any arrangements for financing your initial investment or the operation of your business.

(8) The figures in the chart are annual expenses of $500 to $750, calculated quarterly. In rare cases, you will be required to pay the entire annual premium initially.

(9) Unless you must obtain a variance, waiver, or otherwise alter current zoning conditions, you are not expected to incur zoning expenses.

(10) You will need to provide deposits for utilities. The amount of such deposits will vary depending upon the practices of the utility companies.

(11) You will need to employ a qualified architect or engineer to prepare preliminary and final architectural and engineering drawings for the Premises in accordance with our standard plans.

(12) You will need to employ an attorney, accountant and other consultants.

(13) You will need capital to support ongoing expenses, such as payroll and utilities, to the extent that these costs are not covered by sales revenues. 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 calculate to be three months. This is only an estimate, however, and there is no assurance that additional working capital will not be necessary during this start-up phase or after.

(14) We relied upon our thirty years' experience in the industry when preparing these figures.

(15) We offer no financing, direct, or indirect.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We negotiate purchase arrangements with suppliers of some equipment and supplies for the benefit of franchisees.

Specifications and standards of our supplies and equipment are not issued to franchisees, but they are issued to our suppliers. Supplier approval criteria are not available to franchisees.

Handel's Enterprises Inc., and its officers do not have any ownership or interest in any of our approved suppliers.

The Franchisor is entitled to the cost plus 20% overhead markup for the products/services that go into the production of ice cream. There are no provisions made on income for any lease agreements. The Franchisor or its affiliates have not received any consideration from any purchase agreements.

You must purchase and install, at your expense, our trade dress, all service mark decals, equipment (including food service equipment and specific batch freezers) as we may reasonably direct periodically. You must not install or permit to be installed on any of the public areas of your business, letterhead or advertising, without our prior written consent, any signs, or other items not previously approved as meeting our standards and specifications.

Except as provided in the Franchise Agreement, Exhibit H, all products sold or offered for sale at the Business must meet our then-current standards and specifications, as established in our Confidential Operations Manual and Parlor Manual (the "Manuals") or otherwise in writing. You must purchase all products solely from suppliers who demonstrate to our continuing reasonable satisfaction the ability to meet our standards and specifications, who possess adequate quality controls and capacity to supply your needs promptly and reliably, and who have been approved by us in the Manuals or otherwise in writing. At different times of the year, suppliers may or may not offer a rebate program to the Franchisor/Franchisee (i.e. Hershey Foodservice). Each franchisee purchases products from the same supplier as Franchisor. Thus benefiting from our volume buying. All purchases are made through one distribution channel.

If you desire to purchase products from other than approved suppliers, you must submit to us a written request to approve the proposed supplier, together with such evidence of conformity with our specifications as we may reasonably require. We will have the right to require that our representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered for evaluation and testing either to us or to an independent testing facility designated by us. A charge not to exceed the reasonable cost of the evaluation and testing must be paid by you. Our criteria for supplier approval are contained in the Manuals. We will, within 30 days after our receipt of the

completed request and completion of the evaluation and testing (if required by us), notify you in writing of our approval or disapproval of the proposed supplier. Approval will not be unreasonably withheld.

You must not sell or offer for sale any products of the proposed supplier until our written approval of the proposed supplier is received. We may periodically revoke our approval of particular products or suppliers when we determine, in our sole discretion, that the products or suppliers no longer meet our standards. Upon receipt of written notice of this revocation, you must cease to sell any disapproved products and cease to purchase from any disapproved supplier. You must use products purchased from approved suppliers solely for the purpose of operating the Franchised Business and not for any other purpose.

(i) Handel's Enterprises Inc.'s total revenue is $1,763,543
(ii) In 2016 Handel's Enterprises Inc.'s revenue from all required purchases and leases of products and services is $448,949
(iii) 25.5% of total revenues for Handel's Enterprises Inc. are derived from required purchases or leases.

Handel's Enterprises Inc., does not provide material benefits to a franchisee based on a franchisee's use of designated or approved sources.

We are an approved supplier of: liquid flavorings for flavors of ice cream. We reserve the right to derive a profit from the sale of all such products. There are no purchasing or distribution cooperatives for any of the items described above.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligations	Section in agreement	Disclosure document item
A. Site selection and acquisition/lease	Article II	Item 11
B. Pre-opening purchase/leases	Article III	Item 7
C. Site development and other pre-opening requirements	Article IV	Item 11
D. Initial and ongoing training	Article IV	Item 11
E. Opening	Article IV	Item 11
F. Fees	Articles VIII, IX & X	Items 5 and 6
G. Compliance with standards and policies/Confidential Operations Manual and Parlor Manual	Article V	Items 11 and 15
H. Trademarks and proprietary information	Article VII and Schedule "A"	Items 13 and 14
I. Restrictions on products/services offered	Article V	Item 16
J. Warranty and customer service requirements	None	None
K. Territorial development and sales quotas	None	None
L. Ongoing product/service purchases	Article V	Item 8
M. Maintenance, appearance and remodeling requirements	Article V	Item 8
N. Insurance	Article VI	None

Obligations	Section in agreement	Disclosure document item
O. Advertising	Article X	Item 11
P. Indemnification	Article XVIII	None
Q. Owner's participation/ management/staffing	None	None
R. Records/reports	Article XI	None
S. Inspections/audits	Article XII	None
T. Transfer	Article XVII	Item 17
U. Renewal	Article I	Item 17
V. Post-termination obligations	Article XVI & XVII	Item 17
W. Non-competition covenants	Article XVI and Schedule "C"	Item 17
X. Dispute resolution	None	Item 17

ITEM 10
FINANCING

Except as described below, we will not offer, directly or indirectly, any arrangements for financing your initial investment or the operation of your business. We have worked with unaffiliated third parties who have constructed and leased to our franchisees buildings constructed to our specifications on a "lease back" basis. We are unable to estimate whether you will be able to obtain financing for all or any part of your investment and, if you are able to obtain financing, we cannot predict the terms of the financing. We do not receive payment from any person or persons for obtaining or placing financing.

We may in the future agree to repurchase equipment repossessed from our franchisees by their lenders, in order to assist our franchisees in obtaining financing. We are currently unaware of whether requests will be made; whether, if made, we will honor these requests; and of the terms and conditions of the financing.

We do not have any past or present practice or intent to transfer, assign, discount, or sell to a third party, in whole or in part, any note, contract, or other instrument executed by any franchisee, but we reserve the right to do so in the future.

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

Except as listed below *Handel's*, we need not provide any assistance to you.

Continuing Obligations

During the ongoing operation of the Franchised Business, we (or our designee) are required by the Franchise Agreement, Exhibit H, to provide the following assistance and services to you:

1. Refer to Franchise Agreement, Exhibit H, Article 4.01-4.09 for pre-opening and post opening obligations.

2. We will provide to you periodically, as we deem appropriate, advice and written materials concerning techniques of managing and operating the Franchised Business, including required and suggested recipes, serving methods, portion control, sales methods, new developments and improvements in equipment, services and marketing techniques. Refer to Franchise Agreement, Exhibit H, Articles 4.09, 5.05, and 10.1-10.2.

3. We will conduct, as we deem advisable, inspections of your operation of the Franchised Business. Refer to Franchise Agreement, Exhibit H, Article 12.01.

4. We will make available to you, for sale on such terms and conditions as we deem appropriate, equipment, supplies, forms, and signs and decals. We provide these items directly, or through our affiliates (including the Affiliate). We or our affiliates will deliver these items. See Item 8 for a description of equipment and products for which we provide specifications. Refer to Franchise Agreement, Exhibit H, Articles 4.07, 10.01, and 11.02

5. We will make available to you occasionally, at your expense, advertising plans and promotional materials, including newspaper, coupons, merchandising materials, sales aids, special promotions, direct mail materials, and similar advertising and promotional materials. Refer to Franchise Agreement, Exhibit H, Article 10.01.

6. During the first week of operation, we will furnish to you, at your request and at our expense, one (1) of our representatives for the purpose of facilitating the opening of your *Handel's* franchise. That representative will also assist you in establishing and standardizing procedures and techniques essential to the operation of your distinctive *Handel's* Franchise, and, if necessary and requested by you, will assist in hiring and training your personnel. Refer to Franchise Agreement, Exhibit H, Article 4.04.

7. We will also provide a continuing telephone advisory service which will include, but not be limited to, consultation on technical, business or operational problems, all at your expense. Refer to Franchise Agreement, Exhibit H, Article 4.07.

8. We will initially and occasionally when available, offer to you materials and bulletins on food preparation, marketing developments, products, and techniques either without charge or according to then current price lists. Refer to Franchise Agreement, Exhibit H 4.07 – 4.08.

9. Franchise will be required to purchase a Sam Sung 500 cash register system for approximately $7,000.00. Maintenance on this system is very minimal, approximately $300.00 a year. Franchisor will have independent access to information and data that is electronically collected. Refer to Franchise Agreement, Exhibit H, Article 11.02.

We are not obligated by the Franchise Agreement, Exhibit H, or any other agreement to provide any other supervision, assistance, or services in connection with the ongoing operation of the Franchised Business.

Any duty or obligation imposed on us by the Franchise Agreement, Exhibit H, may be performed by any of our designees, employees, or agents, as we may direct.

Training Programs

Prior to the opening of the Franchised Business, you (or, if you are a corporation or partnership, your principal acceptable to us), and your manager (if you or your principal will not manage the Franchised Business), must attend and complete to our satisfaction the initial training program for franchisees and employees offered by us. Any persons subsequently employed by you in any such position must also attend and complete our training program, to our satisfaction. You and your manager must also attend such additional courses, seminars, and other training programs as we may reasonably require periodically. Each of your employees must successfully complete our training courses at your expense.

All training programs will be at such times and places as may be designated by us. For all required initial and additional training courses, seminars, and programs, we will provide, at no charge to you, instructors and training materials. You or your employees will be responsible for all other expenses incurred by you or them in connection with any such courses, seminars, and programs, including the costs of transportation, lodging, meals, and wages. At our option, you must also reimburse us for any expenses incurred by our employees in providing training at your location.

The initial training program will be no more than 30 days prior to opening and will be no longer than 21 days in duration, consisting of both personal instruction and on-the-job training, and is conducted on an as-needed basis. The initial training program will be conducted at our headquarters and in your Primary Area of Responsibility during the initial opening of your business. The initial training program will be supervised by Jody Nerone and various employees of ours. Our training team's relevant employment history is described in Item 2.

2. The instructional materials include the Manuals, handouts, and written presentations.

The subjects covered in the initial training program are described below:

Subject	Hours of Class Room Training	Hours of On the Job Training	Location	How Often Held
Personnel Management	0	2	Headquarters	As needed
Business Systems	2	4	Headquarters	As needed
Forms and Documents	2	2	Headquarters	As needed
Customers Service Techniques	0	40	Headquarters	As needed
Ice Cream Preparation	0	68	Headquarters	As needed
Equipment Maintenance and Operation	0	4	Headquarters	As needed

Upon your reasonable request, we will attempt to provide additional training or other assistance as needed in order to help you handle unanticipated problems as they arise. You must reimburse us for our expenses in providing this assistance.

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Advertising and Promotion

Prior to opening, you must spend at least Two Thousand Dollars ($2,000.00) on advertising of the opening of your ice cream parlor. You must spend at least one percent (1%) of your gross sales on independent advertising in your Primary Area of Responsibility.

All advertising and promotion by you must be in such media and of such type and format as we may approve, must be conducted in a dignified manner, and must conform to such standards and requirements as we may specify. You may not use any advertising or promotional plans or materials unless and until you have received written approval from us, pursuant to the procedures and terms set forth in the Franchise Agreement, Exhibit H.

You must submit samples of all advertising and promotional plans and materials to us, for our prior approval (except with respect to prices to be charged) if such plans and materials have not been prepared or previously approved by us. You must not use the plans or materials until they have been approved in writing by us.

We will have the right, in our discretion, to designate any geographic area for purposes of establishing a "Cooperative" for advertising purposes, and to determine whether a Cooperative is applicable to the Franchised Business. We also have the power to require a Cooperative to be changed, dissolved, or merged. If a Cooperative has been established applicable to the Franchised Business at the time you commence operations under the Franchise Agreement, Exhibit H, you must immediately become a member of the Cooperative. If a Cooperative applicable to the Franchised Business is established at any later time during the term of the Franchise Agreement, Exhibit H, you must become a member of the Cooperative no later than 30 days after the date on which the Cooperative commences operation. If the Franchised Business is within the territory of more than one Cooperative, you will be required to be a member of only one Cooperative. All businesses owned and controlled by us and our affiliates, and located within the geographic area of the Cooperative will also become a member of the Cooperative and will contribute to the Cooperative on the same basis as other members. The following provisions will apply to each Cooperative:

1. Each Cooperative must be organized and governed in a form and manner, and must commence operation on a date, approved in advance by us in writing. The Cooperative must operate from written governing documents, which are available for your review.

2. Each Cooperative must be organized for the exclusive purpose of administering regional advertising programs and developing, subject to our approval, standardized advertising materials for use by the members in local advertising. The Cooperative must operate from written governing documents, which are available for your review.

3. No promotional or advertising plans or materials may be used by a Cooperative or furnished to its members without our prior approval. All such plans and materials must be submitted to us in accordance with the procedure set forth in the Franchise Agreement, Exhibit H.

4. Each Cooperative will have the right to require its members to make contributions to the Cooperative in such amounts as are determined by the Cooperative; you will not be required to contribute to any Cooperative in excess of 2% of your monthly Gross Sales.

5. Each member franchisee must submit to the Cooperative, no later than the 10th day of each month, for the preceding calendar month, its contribution as provided in the Franchise Agreement, Exhibit H, together with other statements or reports required by us or by the Cooperative with our prior approval. The Cooperative must prepare annual financial statements which are available for your review.

6. We in our sole discretion may grant to any franchisee an exemption for any length of time from the requirement of membership in a Cooperative, upon written request of the franchisee stating reasons supporting the exemption. Our decision concerning the request for exemption will be final.

Advertising conducted by the Fund and the Cooperatives may be disseminated in print, radio, or television. Advertising for Cooperatives is prepared by agencies selected by the Cooperatives. Any Cooperatives fees not spent in the fiscal year are carried forward and spent in the next fiscal year. The Cooperatives do not use any funds for advertising that is principally a solicitation for the sale of franchises.

Site Selection

In most instances, a *Handel's* Franchise will be conducted from a structure specifically designed or altered to meet the specific needs of the business. Location is an important factor in the success of a *Handel's* business and must be considered carefully. We will assist you in your location and make suggestions concerning your location; however the final decision of any location is solely yours. Typically, we require a high profile, easily accessible location of at least one half acre or the equivalent in usable parking so as to accommodate your building and 20-50 parking slots, including appropriate handicapped slots. Site costs may vary widely from $20,000 to greater than $100,000 depending on local market prices, whether you are leasing and remodeling a location, building a new facility or leasing a facility built to our specifications.

Deadline to Begin Operations

You must complete the development of your Ice Cream Parlor and open for business within 180 days after you sign the Unit Franchise Agreement, Exhibit H. Factors which may impact the timing of your opening include the completion of all required training, your ability to procure acceptable financing arrangements, any required approvals, and the construction or alteration of your location.

ITEM 12
TERRITORY

You will be assigned an exclusive territory (the "Primary Area of Responsibility") which will be specifically described in your License and Franchise Agreement, Exhibit H. While for some Franchises, this area will correspond to an entire population center or city, the Franchisor will retain the option to divide a population center or city into two or more primary areas of responsibility based upon the Franchisor's beliefs as to the area's sales potential. The specific size of the Primary Area of Responsibility is subject to negotiation between you and us, with boundaries determined by "ZIP" code, county, state and major highway lines, the minimum area granted to a franchisee would be a 1 mile radius from their designated location. Franchisee may not solicit or accept orders from consumers outside of his or her territory without prior written consent from the franchisor.

Except as otherwise provided in the Franchise Agreement, Exhibit H, during the term of the Franchise Agreement, we will not establish or operate, nor license any other person to establish or operate an enterprise to sell ice cream or beverages at any location within an area designated in the Franchise Agreement (the "Primary Area of Responsibility"). We retain the right, among others, on any terms and conditions we deem advisable, and without granting you any rights to establish and operate, and license others to establish and operate, an enterprise to sell food and beverages as a *Handel's* ice cream parlor at any location outside the Primary Area of Responsibility.

There are no circumstances under which the Primary Area of Responsibility may be altered prior to the expiration or termination of the Franchise Agreement, Exhibit H. Neither we nor the affiliate has established, or presently intends to establish, other franchised or company-owned businesses to sell food or beverages under a different trade name or trademark, but we reserve the right to do so.

The Franchise Agreement does not provide you with any options, rights of first refusal, or similar rights to acquire additional franchises within the Primary Area of Responsibility or areas contiguous to the Primary Area of Responsibility. The Franchisor is not required to pay the Franchisee for soliciting or accepting orders from inside the franchisee's territory.

The stated territory is exclusive, it is not dependent upon achievement of sales, or any other circumstance where the franchisees territory may be altered. There shall be no other circumstances that permit the franchisor to modify the franchisees territorial rights.

ITEM 13
TRADEMARKS

You will be licensed by the Franchise Agreement, Exhibit H, to use the Proprietary Marks. Under the terms of the Franchise Agreement, you are prohibited from using the Proprietary Marks as part of your corporate or other legal name. All required affidavits have been filed.

The following service marks are on file with the U.S. Patent and Trademark Office:

Reg. No. 4,554,623
United States Patent and Trademark Office Registered June 24, 2014

Trademark
Principal Register

Description	Issued/Registration No.
Handel's (Service Mark)	4,554,623

Trademark originally filed for August 26, 1986 registration number 1,406,852 and renewed on June 24, 2014 registration number 4,554,623.

We filed a trademark application for registration of the below trademark on February 1, 2018 with the U.S. Patent and Trademark Office on the Principal Register:

Description: Color is not claimed as a feature of the mark. The mark consists of the wording Handel's Homemade Ice Cream with a red cherry in a circle around the ice cream cone Beach Logo.

This trademark was assigned Serial Number 87/780,306. We do not have a federal registration for this trademark. Therefore this trademark does not have many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to alternative trademark, which may increase your expenses.

There are no currently effective determinations of the United States Patent and Trademark Office or the trademark administrator of this state, nor is there any pending interference, opposition or cancellation proceeding involving the Proprietary Marks.

Handel's Enters., Inc. v. Kenneth S. Schulenburg, Juliana Ortiz, and Moonlight101, Inc., Case No. 4:18-cv-00508, filed on March 5, 2018 against a Handel's franchisee and its principals ("Defendants") and now pending in the United States District Court for the Northern District of Ohio, Eastern Division. Handel's seeks a declaratory judgment and damages in excess of $75,000.00. Handel's claims include, among others, trademark infringement, dilution, and false designation. Handel's claims relate to at least Defendants' unauthorized alterations of [certain of] the Proprietary Marks, use of [certain of] the Proprietary Marks in connection with unauthorized delivery services, and providing unauthorized ice cream flavors in connection with [certain of] the Proprietary Marks in Southern California, in each case since at least April 2017. With its Complaint, Handel's also moved for a preliminary injunction to enjoin the Defendants from misappropriating Handel's confidential and propriety trade secrets and breaching the franchise agreement in connection with the anticipated opening of a competing business. On March 27, 2018, the Defendants moved to dismiss, stay, or transfer the action to the Southern District of California. On March 30, 2018, the Defendants answered Handel's complaint and did not assert counterclaims against Handel's. On April 3, 2018, the Defendants filed an opposition to Handel's motion for preliminary injunction. A hearing on Handel's' motion for preliminary injunction is scheduled for May 9, 2018. The litigation is currently in the pleading stage and discovery has yet to commence. No trial date has been set.

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 the Affiliate's 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. If we, in our sole discretion, determine that you have used the Proprietary Marks in accordance with the Franchise Agreement,

Exhibit H, the cost of the defense, including the cost of any judgment or settlement, will be borne by you.

An unsatisfactory resolution to the litigation described in this Item 13 could result in consumer confusion, dilution of the Proprietary Marks, and a decrease in the value of the Handel's brand to franchisees.

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

We reserve the right to substitute different proprietary marks for use in identifying food service systems using our Proprietary Marks, methods and techniques and the businesses operating under them, at our sole discretion. We will bear the costs of modifying your signs and advertising materials to conform to our new Proprietary Marks, but will otherwise have no obligation or liability to you as a result of such substitution.

ITEM 14
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents and Copyrights

We do not currently own any patents. We have copyrighted and will continue to copyright the Manual and revisions of all Manuals and Handbooks and construction plans loaned to you, and all training materials we provide or sell to you and your employees. We have not registered any copyrights, but may in the future.

Confidential Operations Manual and Parlor Manual

You must operate the Franchised Business in accordance with the standards, methods, policies, and procedures specified in the Manuals, one copy of which you will receive on loan from us for the term of the Franchise Agreement, Exhibit H, upon completion by you and your manager of our initial training program to our satisfaction.

You must treat the Manuals, any other manuals created for or approved for use in the operation of the Franchised Business, and the information contained 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 make them available to any unauthorized person. The Manuals will remain our sole property and must be kept in a secure place on the Premises.

We may periodically revise the contents of the Manuals, and you must comply with each new or changed standard. You must ensure that the Manuals are kept current at all times. In the event of any dispute as to the contents of the Manuals, the terms of the master copies maintained by us at our home office will be controlling.

Confidential Information

You must not, during the term of the Franchise Agreement, Exhibit H, 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 of which you may be apprised by virtue of your operation under the terms of the Franchise Agreement (including information, knowledge, or know-how concerning the sale of food and beverages). You may divulge this confidential information only to those of your employees as must have access to it in order to operate the 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 require your manager, crew supervisor, and any personnel having access to any of our confidential information to execute covenants that they will maintain the confidentiality of information they receive in connection with their employment by you at the Franchised Business. The

covenants 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.

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

During the term of the Franchise Agreement, Exhibit H, except as otherwise approved in writing by us, you (or, if you are a corporation or partnership, a principal or general partner of the corporation or partnership) or your fully-trained manager must devote full time and best efforts to the management and operation of the Franchised Business. The Franchised Business must at all times be under the direct, on-the-job supervision of a manager who has satisfactorily completed our training program. If you are an individual, we recommend that you be the fully-trained manager described above. We impose no limitations as to who you may hire as the manager, except that you must comply with all applicable laws and that you must not harm the goodwill associated with the *Handel's* Proprietary Marks (this requirement may affect who you hire as your manager).

We do not have the right to approve the manager. The manager will not be required to have an equity interest in your business. The manager and other employees will be required to attend and complete our training program, as described in Item 11. The manager and other employees may also be required to enter into an agreement not to compete with us while employed by you and for two years thereafter, and an agreement not to reveal confidential information obtained during their employment with you. See Item 17 for a description of these obligations.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must operate your *Handel's* Franchise in strict conformity with such methods, standards, and specifications as we may from time to time require in the Manuals or otherwise in writing. You must refrain from deviating from such standards, specifications, and procedures without our prior written consent.

You must sell or offer for sale only such services and products as have been expressly approved for sale in writing by us; must sell or offer for sale all types of services and products specified by us; must refrain from any deviation from our standards and specifications without our prior written consent; and must discontinue selling and offering for sale any services or products which we may, in our discretion, disapprove in writing at any time. We have the right to change the types of authorized goods and services, and there are no limits on our right to make changes.

You must operate the *Handel's* Franchise in strict conformity with all applicable Federal, state, and local laws, ordinances, and regulations. Such laws, ordinances, and regulations vary from jurisdiction to jurisdiction and are amendable or may be implemented or interpreted in a different manner from time to time. It is your sole responsibility to apprise yourself of the existence and requirements of all laws, ordinances, and regulations applicable to the Franchised Business, and to adhere to them and to the then-current implementation or interpretation of them.

For a description of your restrictions on some purchases, see Item 8 of this offering circular. All of our business methods and Proprietary Marks may be supplemented, improved, and otherwise modified from time to time by us. You must comply with all of our reasonable requirements in that regard, including offering and selling new or different products or services as specified by us. Except as described above, you are not restricted by the Franchise Agreement, Exhibit H, or any other practice or custom with respect to the goods or services which you may offer, or with respect to the customers whom you may solicit.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise Agreement, Exhibit H	Summary
A. Length of the franchise term	Article I	10 years
B. Renewal or extension of the term	Article I	4 renewal term of 5 years each, subject to contractual requirements
C. Requirements for you to renew or extend	Article I	Notice, compliance with Franchise Agreement, execute new Franchise Agreement and others
D. Termination by you	Article III	Failure to agree on location
E. Termination by us without cause	None	
F. Termination by us with cause	Articles III & XV	Failure to agree on location, breach of Franchise Agreement and other grounds
G. "Cause" defined - defaults which can be cured	None	
H. "Cause" defined - defaults which cannot be cured	None	

Provision	Section in Franchise Agreement, Exhibit H	Summary
I. Your obligations on termination/non renewal	Article XVI	Obligations include complete de-identification and payment of amounts due
J. Assignment of contract by us	Article XVII	No restriction on right to transfer
K. "Transfer" by you - definition	Article XVII	Includes transfer of interest in Franchise Agreement, Franchise or all or substantially all of the assets of your business
L. Our approval of transfer by you	Article XVII	We have the right to approve or deny transfers
M. Conditions for our approval of transfer	Article XVII	Includes payment of money owed, non-default, execution of release, transferee qualifications and execution of new agreement
N. Our right to first refusal to acquire your business	Article XVII	We can match any offer
O. Our option to purchase your business	Articles XVI	Upon expiration or termination, we can buy certain assets
P. Your death or disability	Article XVII	Franchise must be sold or assigned to an approved buyer
Q. Non-competition covenants during the term of the franchise	Article V	Includes prohibition on owning and operating business which sells similar services and is located near any unit under the System for 5 years
R. Non-competition covenants after the franchise is terminated or expires	Article XVI	Includes 2 year prohibition on owning and operating business which sells similar services and is located within 2 miles of a unit under the System
S. Modification of the agreement	None	

Provision	Section in Franchise Agreement, Exhibit H	Summary
T. Integration/merger clause	Article XIX	Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
U. Dispute resolution by arbitration or mediation	None	
V. Governing law	Article XIX	Ohio
W. Choice of forum	None	

These states have statutes which may supersede the franchise agreement in your relationship with us including the areas of termination and renewal of your franchise: ARKANSAS [Stat. Section 70-807], CALIFORNIA [Bus. & Prof. Code Sections 20000 – 20043], CONNECTICUT [Gen. Stat. Section 42-133e et seq.], DELAWARE [Code, tit.], HAWAII [Rev. Stat. Section 482E-1], ILLINOIS [Rev. Stat. Chapter 121 ½ par 1719-1720], INDIANA [Stat. Section 23-2-2.7], IOWA [Code Sections 523H.1 – 523H.17], MICHIGAN [Stat. Section 19.854(27)], MINNESOTA [Stat. Section 80C.14], MISSISSIPPI [Code Section 75-24-51], MISSOURI [Stat. Section 407.400], NEBRASKA [Rev. Stat. Section 87-401], NEW JERSEY [Stat. Section 56:10-1], SOUTH DAKOTA [Codified Laws Section 37-5A-51], VIRGINIA [Code 13.1-557-574-13.1-564], WASHINGTON [Code Section 19.100.180], WISCONSIN [Stat. Section 135.03]. Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.

ITEM 18
PUBLIC FIGURES

There is no compensation or other benefit given or promised to any public figure which arises, in whole or in part, from the use of a public figure in the name or symbol of the Franchised Business or from the endorsement or recommendation of the franchise to prospective franchisees. You are not prohibited by the Franchise Agreement, Exhibit H from using the name of a public figure or celebrity in your promotional efforts and advertising; however, all advertising requires our approval.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise disclosure 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 information that differs from that included in Item 19 may only be given if: (1) 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.

FINANCIAL PERFORMANCE REPRESENTATIONS: INDIVIDUAL UNIT *HANDEL'S* FRANCHISED STORES

The following tables provide historical sales information for *Handel's* franchised stores that were open at least one full year as of: (a) the calendar year 2017 for franchised 30 stores; and (b) the calendar year 2016 for franchised 26 stores. The information presented is not a forecast of future potential performance. The gross revenue figures are based on the same computation for computing royalties such as required under the Franchise Agreement.

The tables provide the average gross revenues for the following categories of stores in 2017 and 2016 on a category and cumulative basis: (a) our top 10% revenue producing stores (meaning the average gross revenue for the number of stores that were in the top 10% of gross revenues for that year); (b) our top 25% revenue producing stores (which includes the stores that are in the top 10%); (c) our top 50% revenue producing stores (which includes the stores that are in the top 10% and the top 25%); and (d) our top 75% revenue producing stores. We represent the average gross sales for the year in that category as well as the number and percentage achieving or surpassing the average gross sales for the year in that category as well as the number and percentage achieving or surpassing the average gross sales in that category along and cumulative for all stores. For example, 3 of the 8 stores in the top 25% for 2017 (or 38%), and 8 of the 30 stores or 27% for the total stores, achieved or surpassed that average.

AVERAGE GROSS REVENUES IN 2017

	Top 10%	Top 25%	Top 50%	Top 75%	Total
No. of Stores	3	8	15	23	30
Avg. Gross Revenues	$1,224,422	$984,876	$784,507	$668,297	$589,823
No. that Attained or Surpassed Stated Result in Category (Cumulative)	2 of 3	3 of 8	8 of 15	8 of 23	8 of 30
Percent that Attained or Surpassed Stated Result in Category (Cumulative)	67%	38%	53%	35%	27%

The lowest revenue location was $188,273, the highest revenue location was $1,380,530, the average revenue was $589,823, and the median revenue was $495,388.

As of December 31, 2017, there were 32 franchised stores. Of the 32 franchised stores, 30 were franchised stores that had been open for at least 12 months as of December 31, 2017. Of the 30 stores, 0 stores were excluded since they were non-traditional locations. Of the 30 stores referenced in the above table, all reported sufficient financial performance information to be included in this financial performance representation.

AVERAGE GROSS REVENUES IN 2016

	Top 10%	Top 25%	Top 50%	Top 75%	Total
No. of Stores	3	6	13	20	26
Avg. Gross Revenues	$1,044,515	$916,695	$690,643	$618,608	$544,743
No. that Attained or Surpassed Stated Result in Category (Cumulative)	1 of 2	2 of 6	5 of 13	7 of 20	9 of 26
Percent that Attained or Surpassed Stated Result in Category (Cumulative)	33%	33%	46%	35%	35%

The lowest revenue location was $205,799, the highest revenue location was $1,234,765, the average revenue was $544,743, and the median revenue was $480,826.

As of December 31, 2016, there were 28 franchised stores. Of the 28 franchised stores, 26 were franchised stores that had been open for at least 12 months as of December 31, 2016. Of the 26 stores, 0 stores were excluded since they were non-traditional locations. Of the 26 stores referenced in the above table, all reported sufficient financial performance information to be included in this financial performance representation.

As stated, the sales for each of the stores represented are limited to the sales results for stores that had been opened a full 12 months of operations as of December 31, 2017 and December 31, 2016 respectively. Sales during the first year of operations are likely to be significantly less than for those that have been open for a year or more.

All *Handel's* stores offer substantially the same products and services to the public. None of the franchised *Handel's* stores received any services not generally available to other franchisees and substantially the same services will be offered to new franchisees.

We obtained these historical financial results from the information submitted by our franchisees. Neither we nor an independent certified public accountant has independently audited or verified the

information. Some stores have sold the amounts shown in the tables. Your individual results may differ. There is no assurance you will sell as much.

YOUR INDIVIDUAL FINANCIAL RESULTS MAY DIFFER SUBSTANTIALLY FROM THE RESULTS DISCLOSED IN THIS ITEM 19.

The earnings claims figure(s) does (do) not reflect the costs of sales, operating expenses, or other costs of expenses that must be deducted from the gross revenue or gross sales figure to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your (franchised business). Franchisees or former franchisees, listed in the offering circular, may be one source of this information.

The foregoing data relates to revenues only; we are not representing any information on the costs and expenses of operating a store. Operating a store incurs a wide variety of expenses that will reduce the store's income from the revenue levels shown.

Examples of these types of expenses include, without limitation, rent and occupancy expenses, food and beverage product and supply costs; salaries, wages and other personnel-related expenses; federal, state and local taxes and fees; utilities; financing costs (including on loans and leases); royalties and other amounts due us. See also Items 5, 6 and 7.

Characteristics of the included franchised stores may differ substantially from your store depending on your previous business and management experience, competition in your area, length of time that the included stores have operated compared to your store, and the services or goods sold at our store compared to the included stores. The sales, profits and earnings of an individual franchise may vary greatly depending on these and a wide variety of other factors included the location of the store, population and demographics in your market area, economic and market conditions, labor and product costs, etc.

We have written substantiation in our possession to support the information appearing in this financial performance representation. Written substantiation will be made available to your on reasonable request.

We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable, and consult with an attorney and other advisors prior to executing the franchise agreement.

Other than the preceding financial performance representation, we do not make any financial performance representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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 our future income, you should report it to our management by contacting James Brown, our CEO at 3830 Starr Centre Drive, Suite 1, Canfield, Ohio and (888) 292-2552, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

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

(2) The numbers in the "Total" column may exceed the number of units affected because several events may have affected the same unit.

(3) Harpman & Harpman of 819 Southwestern Run, Boardman, Ohio 44512, 330-758-7505 is the patent attorney for *Handel's*.

Systemwide Outlet Summary
For Years 2015, 2016, 2017

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2015	24	25	1
	2016	26	27	1
	2017	30	32	2
Company Owned	2015	12	12	0
	2016	11	11	0
	2017	8	7	-1
Total Outlets	2015	36	37	2
	2016	37	38	1
	2017	38	39	1

Transfers of Outlets from Franchisees to New Owners (other than Franchisor)
For Years 2015, 2016, 2017

State	Year	Number of Transfers
California	2015	0
	2016	0
	2017	0
Indiana	2015	0
	2016	0
	2017	0
Ohio	2015	0
	2016	0
	2017	0
Nevada	2015	0
	2016	0
	2017	0
Pennsylvania	2015	0
	2016	0
	2017	0
Virginia	2015	0
	2016	0
	2017	0
Total	2015	0
	2016	0
	2017	0

Status of Franchised Outlets
For years 2015 to 2017

State	Year	Outlets at Start of Year	Outlets Opened	Termination	Non-Renewal	Reacquired By Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
CA	2015	3	0	0	0	0	0	3
	2016	3	1	0	0	0	0	4
	2017	4	0	0	0	0	0	4
IN	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
OH	2015	12	0	0	0	0	0	12
	2016	11	1	0	0	0	0	13
	2017	12	0	0	0	0	0	15
NV	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
PA	2015	4	1	0	0	0	0	5
	2016	5	0	0	0	0	0	5
	2017	5	0	0	0	0	0	5
VA	2015	2	0	0	0	0	1	1
	2016	1	0	0	0	0	1	0
	2017	0	0	0	0	0	0	0
FL	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
OR	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
AL	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	1	0	0	0	0	1
Totals	2015	23	2	0	0	0	1	24
	2016	24	2	0	0	0	1	25
	2017	25	4	0	0	0	0	30

Status of Company-Owned Outlets
For years 2015 to 2017

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
Ohio	2015	11	0	0	0	0	11
	2016	11	0	0	0	1	10
	2017	10	0	0	1	3	6
Pennsylvania	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	1
Total	2015	12	0	0	0	0	12
	2016	12	0	0	0	0	11
	2017	11	0	0	0	0	7

Projected Openings as of December 31, 2017

State	Franchise Agreements Signed But Unit Not Opened	Projected Franchised New Units in the Next Fiscal Year	Projected Company Owned Openings in the Next Fiscal Year
Alabama	0	0	0
Arizona	1	0	0
California	1	0	0
Florida	0	0	0
Indiana	0	0	0
Nevada	0	0	0
Ohio	0	0	0
Pennsylvania	0	0	0
Virginia	0	0	0
TOTAL	2	0	0

Please see Exhibit D for a list of all franchise outlets.

Please see Exhibit E for a list of all franchises who have ceased to do business.

ITEM 21
FINANCIAL STATEMENTS

Attached as Exhibit F are the audited financial statements for 12/31/2017, 12/31/2016, and 12/31/2015.

ITEM 22
CONTRACTS

The following contracts are attached to this offering circular in the following order:

1. Franchise Agreement
2. Confidentiality Agreement

ITEM 23
RECEIPTS

Two copies of an acknowledgment of your receipt of this offering circular appear at the end of this document. Please return one copy to us and retain the other for your records.

RECEIPT
(KEEP THIS COPY FOR YOUR RECORDS)

This franchise disclosure document summarized provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Handel's Enterprises, Inc., 3830 Starr Centre Drive, Canfield, Ohio 44406 (330-702-8270), 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 any affiliate in connection with the proposed franchise sale.

If Handel's Enterprises Inc. 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 and state law have occurred and should be reported to the federal trade commission, Washington, D.C. 20580 and the state agencies listed in Exhibit A.

Franchise Seller offering a Franchise:
Leonard Fisher, James Brown, Jody Nerone and Sarah Bradley. Each individual listed is a current employee of Handel's Enterprises Inc.
Handel's Enterprises Inc.
3830 Starr Centre Drive
Canfield, Ohio 44406
330-702-8270

We authorize the agent listed in Exhibit B to receive service of process for us:

I have received a Franchise Disclosure Document dated 3/28/2018. This Disclosure Document included the following Exhibits:

A. List of Administrators
B. List of Agents for Service of Process
C. Additional Construction Information
D. Listing of all Current Franchised Outlets
E. Listing of Franchises that Ceased to do Business
F. Financial Statements
G. California State Addendum
H. License and Franchise Agreement
I. Confidentiality Agreement

Date _____ Franchisee _____

RECEIPT
(RETURN THIS COPY TO US)

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I. Confidentiality Agreement

Date _____ Franchisee _____