

| Provision | Section in Agreement | Summary |
|---|----------------------------|--|
| p. Death or disability of franchisee | Section 14.2 | After the death or incapacity of an Owner of the franchise, his or her representative must transfer, subject to the terms of the Franchise Agreement, the individual's interest in the franchise within 180 days of death or incapacity or we may terminate the Franchise Agreement. We must approve the transferee prior to transfer. We will also have the right to operate your Franchised Business on an interim basis if it is not being properly managed. |
| q. Non-competition covenants during the term of the franchise | Section 6.3 | During the term of the Franchise Agreement, in any location, you and your Owners must not (and must cause affiliates, family members, spouses and assigns not to): (i) have any direct or indirect interest in any Competitive Business, or (ii) advise, operate, or provide assistance or services of to any Competitive Business (subject to applicable state law) . "Competitive Business" means any business that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) drywall and other wall repair, paint, texture and related services and/or any other line of business, products, or services that are substantially similar to those offered by PatchMaster Businesses (subject to applicable state law) . |
| r. Non-competition covenants after the franchise is terminated or expires | Section 6.3 | For a period of 2 years from and after the date of termination or expiration of the Franchise Agreement, in your LSA(s) or any location that is within a 25-mile radius of your LSA(s) or within a 25 mile radius of the business office of any other PatchMaster Business, you and your Owners must not (and must cause affiliates, family members, spouses and assigns not to): (i) have any direct or indirect interest in any Competitive Business, or (ii) advise, operate, or provide assistance or services of to any Competitive Business (subject to applicable state law) . |
| s. Modification of the agreement | Sections 8.2, 8.3 and 17.3 | The Franchise Agreement can be modified only by written agreement between you and us. We may modify the System Standards and Confidential Operations Manual during the term of your Franchise Agreement. |
| t. Integration/merger clause | Section 17.3 | Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable. |

MARYLAND

The following provisions are annexed to and form part of this Agreement if and to the extent that the applicable franchise laws in the State of Maryland independently apply to you and/or the franchise granted hereby without reference to the terms hereof:

1. The following is added to the end of Section 12.1 of the Franchise Agreement:

This Section might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.).

2. The following language is added to the end of Section 18.5 of the Franchise Agreement:

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

3. The following language is added to the end of Section 18.1 of the Franchise Agreement:

A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

4. The following is added to the end of Sections 18.8 and 18.9 of the Franchise Agreement:

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

5. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability 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.

MINNESOTA

The following provisions are annexed to and form part of this Agreement if and to the extent that the applicable franchise laws in the State of Minnesota independently apply to you and/or the franchise granted hereby without reference to the terms hereof:

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED

AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE

1. The following language is added to the end of Section 2.8 of the Franchise Agreement:

Notwithstanding the foregoing, you and we acknowledge that under Minnesota Statute 604.113 your penalty for an insufficient funds check will be limited to \$30 per occurrence.

2. The following is added to the end of Sections 3.2(j) and 14.2.2(c) of the Franchise Agreement:

Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

3. The following is added to the end of Sections 3.2 and 12 of the Franchise Agreement:

However, with respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of this Agreement.

4. The following language is added to the end of Section 13.2.2 of the Franchise Agreement:

We and you acknowledge that certain parts of this provision might not be enforceable under Minn. Rule Part 2860.4400J. However, we and you agree to enforce the provision to the extent the law allows.

5. The following is added to the end of Section 18.2 of the Franchise Agreement:

Notwithstanding the foregoing, a court will determine if a bond is required.

6. The following is added to the end of Section 18.7 of the Franchise Agreement:

Notwithstanding the foregoing, Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than 3 years after the cause of action accrues.

7. Notwithstanding anything to the contrary, Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring you to waive your rights to a jury trial or to waive your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction, or to consent to liquidated damages, termination penalties or judgment notes.

NEW YORK

The following provisions are annexed to and form part of this Agreement if and to the extent that the applicable franchise laws in the State of New York independently apply to you and/or the franchise granted hereby without reference to the terms hereof:

1. The following is added to the end of Sections 3.2(j) and 14.2.2(c) of the Franchise